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No. 30,553 PARIS, WEDNESDAY, MAY 13, 1981 Established 1887

Israel Says Aircraft Unhit By Syrian-Fired Missiles

Jerusalem — Missiles were fired Tuesday from Syrian territory at an Israeli reconnaissance aircraft in Lebanon, the Israeli military command announced...



Crowds follow the funeral procession of 14-year-old Desmond Guiney toward a cemetery near Belfast Tuesday.

2d IRA Inmate Dies; Rioting Erupts Again

BELFAST — Irish Republican Army hunger striker Francis Hughes died Tuesday in the 59th day of his fast...



Francis Hughes

Suzuki Sees No Change On Defense

By William Chapman. WASHINGTON — Premier Zenko Suzuki on Tuesday rejected suggestions that his meeting last week with President Reagan had...

NATO Affirms Spending Pledge

Ministers Agree to Keep 3% Rise in Arms Budgets. The officials, who asked that their names not be published, said the commitment was made after Mr. Weinberger gave a "prim" assessment of Soviet military strength...



U.S. Defense Secretary Caspar W. Weinberger, right, met his West German counterpart, Hans Apel, left, before the meeting of Atlantic alliance defense ministers on Tuesday in Brussels.

Thatcher, Schmidt Warn EEC Partners They Will Fight for Financial Reforms

By R.W. Apple Jr. HALTON, England — Britain and West Germany Tuesday warned their partners in the European Economic Community...

Center-Right Split May Help Mitterrand Win Assembly Elections

By Jonathan Kandel. PARIS — The increasingly bitter divisions among French conservatives appear to be boosting President Francois Mitterrand's chances of winning a legislative majority...

83 Guatemalans Reported Killed

GUATEMALA CITY — A leftist guerrilla group Monday claimed that it killed 83 soldiers in recent ambushes of army convoys...

Senate Unit Curbs U.S. Salvador Aid

By Judith Miller. WASHINGTON — The Senate Foreign Relations Committee voted to impose restrictions on U.S. military aid to El Salvador...

Aid to Pakistan

The proposed \$500-million-a-year package of American military and economic aid to Pakistan falls short of matching Soviet military assistance to India...

TOMORROW

The United Arab Emirates, virtually undeveloped when it became an independent federation nearly 10 years ago, has made significant economic progress thanks to the sale of oil...

An 1845 Letter And Stamp Sold For \$1 Million

GENEVA — An 1845 letter and stamp known as the "Blue Boy" has been bought for \$1 million, the highest price ever paid for a philatelic item...

Vertical text on the left margin including 'PLE: Le...', 'AUTOS TAX FREE', 'HOTEL CARLTON', and 'AL Positions'.

Table of exchange rates for various currencies including Algerian, Argentine, and Australian dollars.

INSIDE

Continued from Page 2, Col. 5. Inside the Mitterrand campaign, details of the political maneuvering and the role of various factions.

U.S. Radar Planes: Controversial Role in Mideast Power Game

By Michael Getler
Washington Post Service

WASHINGTON — When Israeli jet fighters, including U.S.-built F-15s, shot down nine Soviet-built Syrian MiG-21s in air battles over Lebanon in 1979, a key to the Israeli victories lay in a small, ungainly looking plane that was circling out of sight far from the battles.

The plane was also built in the United States, by Grumman, and is known as the E-2C Hawkeye. It is a radar surveillance aircraft, much smaller than the four-engine E-3A AWACS surveillance jets the United States has agreed to sell Saudi Arabia.

But it does the same kind of job, using electronic eyes to spot approaching enemy aircraft 200 miles (320 kilometers) away.

It is in large measure because Israel knows what Hawkeye can do that it is most worried about the Reagan administration's controversial proposal to sell five Boeing-built Airborne Warning and Control System jets to the Saudis beginning in 1985.

Spot Anything

The Hawkeye radar, according to informed sources, picked up the Syrian MiGs as they were rolling down the runway, and the Israelis were waiting for them. A new brochure from Grumman extolling the Hawkeye confirms this, reporting that "Syrian MiGs are constantly under surveillance even while taking

off from bases near Damascus." Sources say the Hawkeye radar can spot anything going more than 80 mph.

Pentagon officials briefing reporters last month played down the likelihood that AWACS could become a threat to Israel and stressed its importance to the Saudis in meeting challenges from other countries. Secretary of State Alexander M. Haig Jr. also recently urged congressional opponents of the sale to wait for final details before labeling it a threat to Israel.

But there are some U.S. military specialists experienced in both Middle East affairs and AWACS operations who take a different view.

They believe the plane could become a source of instability in the Middle East. It could even, they feel, again catch Americans in an Arab-Israeli shoot-out. That happened in 1967 when Israeli ships and planes shot up and almost sank the USS Liberty, a Navy intelligence ship that was eavesdropping off the Gaza Strip.

In the view of the military specialists critical of the proposal, Saudi AWACS, with their ability to look hundreds of miles across borders, will heighten Israeli fears that their pre-eminent military striking arm — their air force — will be living in "a glass house."

Thus, some specialists believe that if an AWACS were operating over Saudi territory anywhere near Israel's borders during a crisis in the Middle East, it

likely would be one of the first targets hit by Israeli planes. If Americans were helping the Saudis operate the complex planes, it is conceivable that another Liberty-type incident could develop, they say.

Senior officials in both State and Defense departments, however, believe this scenario is far-fetched. If Israel launched a pre-emptive attack against AWACS, it undoubtedly would be with the help of the four Hawkeye planes the United States sold it in 1978. Hawkeye was originally developed for, and is in service with, the U.S. Navy.

Keeping Track

AWACS and Hawkeye can keep track of each other electronically, although the AWACS radar has a somewhat longer range. Hawkeye, however, also has a passive detection system that would allow the Israelis to spot the AWACS radar beam even when the Hawkeye radar is turned off.

Beyond this potential Israeli-Saudi game of electronic cat and mouse, Egypt also has said it wants to buy the Hawkeye. The Egyptians, mindful of Libya and other hostile Arab air forces, believe it will add stability and defense capability for the region when they, too, have these planes.

But skeptics among the U.S. specialists believe the prospect of three different air forces flying in the same area with sophisticated radar surveillance

planes supplied by the United States might put more of a hair-trigger on pre-emptive strikes during a period of high tension.

U.S. experts familiar with AWACS and Hawkeye say they are superior, especially AWACS, to anything of their kind in the world, including warning planes in service or under development in the Soviet Union and Britain. No other allied country has been given AWACS, although 18 planes are on order for the NATO command in Europe.

Skeptics believe the Saudi AWACS will not only make Israel nervous, but Iran and Iraq as well. They argue that these planes, which can stay in the air 11 hours, or double that with aerial refueling, could keep an eye on the region but be based on Diego Garcia, in the Indian Ocean, or in Oman and kept under U.S. control.

U.S. Sale to Japan

WASHINGTON (AP) — The United States plans to sell Japan an additional four E-2C Hawkeye planes for about \$270 million. Japan previously bought four of the aircraft.

The Pentagon said Monday that a formal notification of the new sale was sent to Congress. Military officials noted that the deal had been in the works long before last week's visit to Washington by Japanese Premier Zenko Suzuki.

WORLD NEWS BRIEFS

Afghanistan Leader Denies Inviting Russians

NEW DELHI — Afghan President Babrak Karmal said Soviet troops were in Afghanistan months before he came to power but they did not help assassinate his predecessor.

Mr. Karmal, in an unusual speech Monday, quoted Western news reports to convince his nation that he did not invite the first Soviet troops into Afghanistan. "I must tell you that the Soviet military never had a hand in the overthrow of the Amin regime," Mr. Karmal said, referring to the late Premier Hafizullah Amin who was killed in a coup December 27, 1979 as Soviet forces intervened in Afghanistan.

"The limited contingent of Soviet armed forces was in Afghanistan during the regimes of President Mohammed Taraki and Amin and before I was chosen to take over power," Mr. Karmal said in a speech broadcast by Soviet-controlled Radio Kabul.

Bolivia Reports Isolated Rebellion Put Down

LA PAZ — The government said Tuesday that it had forced the surrender of a rebel paramilitary unit by rallying commanders loyal to President Luis Garcia Meza. There was no violence reported.

Gen. Garcia Meza flew Monday to the west-central city of Cochabamba, met with the commanders and forced the rebel leader, Col. Emilio Lanza, to surrender a government statement said. The military said he would go on trial. Col. Carlos Turdera, commander of the army division stationed in Cochabamba, said the uprising was an isolated movement.

Meanwhile, Hugo Banzer, president of Bolivia from 1971 to 1978, flew to Argentina on Tuesday because of a "lack of guarantees regarding his personal security," his wife said. Another former president, Alberto Natush Busch, was arrested in La Paz on Monday, according to statement by his family. Both men have been considered major opponents of the Garcia Meza government.

Shcharansky Dying in Prison, His Wife Says

WASHINGTON — The Soviet dissident Anatoli Shcharansky is near death in a Soviet prison, his wife, Avital, asserted Tuesday. After months in solitary confinement, she said, his eyesight and memory are fading, and his weight has dropped from about 140 pounds to 108.

She said that attempts by Mr. Shcharansky's mother to see him have been unsuccessful, but that they had learned of his condition from his letters and from conversations with prison officials. He was arrested in 1977, charged with anti-Soviet propaganda and sentenced to three years in prison and 10 years in a work camp.

"His mother has the impression," the dissident's wife said Tuesday, "that prison officials 'have permission from Moscow to finish my husband.' Mr. Shcharansky, who now lives in Israel, met with John Scanzon, U.S. deputy secretary of state for Soviet affairs, and was met Wednesday with U.S. Secretary of State Alexander M. Haig Jr.

W. German Police Suspect 2 in Aide's Slaying

BONN — Police investigating the slaying of the economics minister of Hesse state said Tuesday that they suspected a man and woman of the killing. Investigators said a couple in their 20s were seen near the suburban Frankfurt home of Heinz Herbert Karry at about the time he was shot in his bed early Monday.

Federal public prosecutor Kurt Rebmann said that weapon used in the killing, a U.S.-made, .22-caliber target-shooting pistol, stolen by two youths near Mr. Karry's home, was one of four that were found from a U.S. Army depot in 1970. Sources close to the investigation said extremists of both the left and the right were known to have stolen arms from the depot.

Hesse police said the two suspects were seen in a red car. Police meanwhile were examining an aluminum ladder used to reach the bedroom window of Mr. Karry's house. Mr. Rebmann's office said it suspected that the killing had a political motive.

Party Chief Asks West Berlin Minority Rule

BERLIN — The chairman of West Berlin's Free Democratic Party, key to a political deadlock in the city following inconclusive elections, said Tuesday that he wanted the Christian Democrats to form a minority government.

Jurgen Kunze told reporters that some FDP deputies should abstain when the city parliament votes for a new mayor next month to ensure that Richard von Weizsäcker, head of the Christian Democrats (CDU) in West Berlin, obtained the post.

His statement was the first concrete proposal for a solution to the stalemate produced by Sunday's poll, which brought a strong shift to the CDU but left them two seats short of a majority in the new assembly.

West Berlin has been governed for 18 years by a coalition of the liberal, Free Democratic Party and the Social Democratic Party, like the one forming the federal government in Bonn. The West Berlin vote has drawn close attention because it may indicate national political trends.

Mr. Kunze is opposed to a coalition with the conservative Christian Democrats and said his compromise would make this unnecessary.

Foreign Press Assailed in Belfast Riots

Northern Ireland believe the presence of so many of the world's press, particularly photographers and television cameramen, encouraged some youths to riot in the province.

Reliable sources said a few foreign newsmen "staged" dramatic pictures by asking rioters to pose, and that in some cases they even paid money to get pictures or film they wanted.

A Belfast daily newspaper, the Newsletter, reported that one television crew offered children £5 (\$10.50) for each plastic bullet fired at them by security forces.

The London Sunday Express made similar allegations against television crews, accusing them of handing out money.

An experienced British photographer, Tony McGrath of another London Sunday newspaper, Observer, was so disturbed by the conduct of other photographers that he insisted on writing a story on the subject himself.

"For the first time in 12 years of covering the world's conflicts and especially the troubles in Northern Ireland, I have felt sufficiently angry and disturbed to question seriously the objectivity of some of my colleagues," he wrote.

A Reuters correspondent saw a group of photographers, who had stopped to film a burning barricade in the Roman Catholic Lower Falls Road last week, ask a boy who appeared to be around 6 years old to pose in front of the flames. They asked him to pull his woolen

cap down over his face, in the manner of a guerrilla and hold up his right fist in a gesture of defiance.

Such incidents led to a meeting of international photographers in a Belfast hotel at which senior members of the profession warned their colleagues of the dangers of creating news and deploring the actions of those who did so.

Most blamed inexperienced free-lance photographers for trying too hard to get the best picture in the face of fierce competition.

Neither the police nor the army reported any first-hand examples of journalistic malpractice, but both said the very presence of photographers or cameramen tended to encourage some demonstrators.

"They [the demonstrators] feel they should give the photographers value for money," a police spokesman said.

After the death of Mr. Sands, photographers and film crews hired by the Catholic areas of West Belfast, watching for possible riots. One American television network had seven film crews operating at one time.

World of Dublin, said, "The violence of the international press corps, perched on the roof of the hotel, waiting for the shot was to follow the death of Bobby Sands."

An article in The Times of London said: "Unhappily, it is in the nature of the medium to corrupt and by producing the message it wants by its mere presence."

Polish Court Registers Rural Solidarity

From Agency Dispatches

WARSAW — A district court registered Rural Solidarity, the independent union that claims to represent about 2.5 million of Poland's private farmers, on Tuesday in the final step of the union's political battle for official recognition.

In Moscow, Pravda renewed its condemnation of the Solidarity trade union for industrial workers, claiming that its leaders are advocating more strikes in an effort to destroy the Socialist system. "Only in the atmosphere of chaos and instability can they count on achieving their cowardly aims — to dismantle Socialism in Poland," the party daily said.

A procession of farmers wearing Rural Solidarity's white-and-green badges and carrying Polish flags, religious banners and crucifixes marched to the district court for Tuesday's two-hour hearing.

Outside, a crowd estimated at 4,000 listened as loudspeakers broadcast the proceedings. They heard a Rural Solidarity legal adviser tell the court, "Farmers today promise Poland they will never betray her."

The crowd applauded and cheered as Judge Zdzislaw Koscielniak proclaimed, "The union is registered. The headquarters will

be in Warsaw. It will operate on the basis of its charter. The members will be individual farmers covering the territory of Poland, and the union chairman will be Jan Kulaj."

Mr. Kulaj, 23, had been carried into the courtroom standing on the shoulders of supporters. Before entering, he raised his right fist in the air and shouted, "Farmers, Poland belongs to us."

Decision Formality

The court decision was considered a formality, since the Sejm (parliament) passed a law last week allowing Rural Solidarity to operate.

Communist Party leader Stanislaw Kania had opposed registering the farmers' union, arguing that there was no need for another political force in the countryside.

After the Supreme Court rejected the registration in February, saying self-employed farmers had no right to form a union, the farmers merged with other private farm groups at a congress in Poznan.

A farmers' sit-in in Bydgoszcz led indirectly — after some demonstrators were beaten up — to a nationwide strike threat and near-collision between the government and workers. The sit-in ended with a negotiated agreement in which the government promised to find a legal means for registering the union.

Pravda, in a dispatch from Warsaw, said the leaders of Solidarity are still "holding the strike pistol cocked" despite the Sejm's resolution banning strikes for two months. The article also alluded, however, to Soviet President Leonid I. Brezhnev's statement that the Polish people could work out their own problems.

Solidarity intends to keep the Polish Socialist system "in fear — to expand their spring board of pressure on the people's power," Pravda said. "As is correctly noted in the press of different countries, this program is aimed at the seizure by Solidarity of power and at changing the existing Socialist system."

But the daily concluded by saying that the Polish people "will be able to defend Socialism," a reiteration of Mr. Brezhnev's speech last month in Prague, which was generally viewed as a statement that Soviet military intervention in Poland was not being planned in the immediate future.

Warnings Repeated
Later Tuesday, the Soviet government newspaper Izvestia repeated warnings that many Poles do not realize the seriousness of the unrest.

"Sometimes one encounters a clear underestimation of the anti-Socialist forces, which, sensing that conditions are good, become increasingly unbridled and impudent amid the direct support of Western subversive centers," Izvestia said from Warsaw.

The Moscow weekly Literaturnaya Gazeta, in a forthcoming article excerpted Tuesday by Tass, charged that Solidarity has devoted little effort to truly helping Polish workers. The article said Solidarity is "no trade union, but some kind of social movement that pursues political aims very different from those of trade unions, and of a different objective content."

Pravda said that Poland's first-quarter economic output was the worst performance since the Communist government took over after World War II, with industrial production down 10.2 percent compared with the same three months in 1980, and coal extraction down 20.8 percent.

The Polish government reported Tuesday that coal output is likely to reach only 165 million to 168 million tons this year instead of the scheduled 188 million tons. A spokesman said the government ordered an increase in manpower in the mines and means to conserve 2 million tons of coal.

In Tokyo, where Solidarity leader Lech Walesa is making a week-long visit, the General Council of Trade Unions of Japan announced Tuesday a campaign to raise \$90,000 to aid Solidarity.



Rajiv Gandhi

Gandhi Son To Run for Parliament

By Tyler Marshall
Los Angeles Times Service

NEW DELHI — Prime Minister Indira Gandhi's only surviving son, Rajiv, formally entered India's political arena on Monday to contest the parliamentary seat left vacant by the death of his younger brother, Sanjay, in an airplane crash nearly a year ago.

If successful, the 36-year-old professional pilot is almost certain to eventually assume the position of his late brother as one of India's most powerful men despite his near-total lack of political experience.

The announcement of Mr. Gandhi's plans ended months of speculation that he would bow to pressures from within his mother's Congress I Party to fill the void left by his brother's death.

The parliamentary by-election, in the Amethi constituency of Uttar Pradesh, about 300 miles (480 kilometers) east of the capital, is scheduled for June 14.

Mr. Gandhi resigned last week from the job that he had held for nearly a decade as a pilot with India's state-owned domestic carrier, Indian Airlines. He joined the Congress I Party early Monday before leaving for Amethi to file his election papers later in the day.

At his first news conference, Mr. Gandhi said that he made the decision to enter politics entirely on his own, without consulting his mother.

For most of his adult life, Mr. Gandhi was so adept at keeping out of the public eye that many did not realize that Mrs. Gandhi had a second son.

Mrs. Gandhi's style of rule is to delegate authority through a few trusted aides. Until his death, Sanjay was her closest political confidant. Although political observers believe Mr. Gandhi will require seasoning before Mrs. Gandhi can delegate major powers to him, they point out that he already has her complete confidence — and that is something very few accomplish.

Costa Rica had resumed diplomatic relations with Cuba at consular level in 1977 after a 15-year break.

The ministry said Cuba's charge d'affaires at its UN mission, Felix Pita Astudillo, had accused Costa Rica of supporting an alleged counterrevolutionary campaign by the United States against Cuba.

The Costa Rican decision, reflecting a mood of increasing coolness toward Havana in the region, followed a break announced in March by Colombia, which had accused Costa Rica of training anti-government guerrillas.

The delay has prompted the labor union that represents UN staff members to urge Secretary-General Kurt Waldheim to take a public stand, now that his efforts at "quiet diplomacy" have failed.

Mr. Waldheim has retorted that he has urged in vain that UN observers attend Miss Wesolowska's trial and visit her to determine the state of her health. He also has called for clemency.

The union is also disheartened by the fact that Poland's Supreme Court will not hear Miss Wesolowska's appeal for her conviction. In addition, friends in Poland have told the union leaders that Miss Wesolowska's liver, gall bladder and throat were damaged when she was force-fed during a hunger strike.

Schoolchildren Made Ill
PHOENIX — More than 100 schoolchildren were treated at a hospital Monday for nausea and other symptoms that officials said may have been caused by an industrial cleanser accidentally sprinkled on school drinking fountains. None of the affected children seemed to be in serious danger.

Prime Minister Margaret Thatcher, commenting on the walkout, told the House of Commons that Britain had two cars that were winners in the world market, the Mini-Metro and the Ford Escort.

"It is absolutely crazy that those who produce them should be on strike," she said.

U.S. Senate Panel Votes To Curb El Salvador Aid

(Continued from Page 1)

ations that would require President Reagan to suspend military aid.

Alvin P. Driscoll, deputy assistant secretary of state for congressional relations, said, "This sends the wrong signal."

Republicans and Democrats, however, argued that the conditions would strengthen the government of President Jose Napoleon Duarte and send a positive signal to other Latin American nations.

"It's very important for us to devise as strong a bipartisan foreign policy as possible," said Sen. Nancy Landon Kassebaum, Republican of Kansas, who helped draft the measure.

[The Senate committee's action was called an intervention in an "internal political problem" by President Duarte. The Associated Press reported from San Salvador.

Mr. Duarte said Monday that El Salvador did not meddle in other nations' internal politics and that it expected other nations not to interfere in Salvadoran problems.

[But Mr. Duarte, who is head of a junta of three civilians and a colonel, said the goals the Senate Foreign Relations Committee set as conditions for military aid have been the Salvadoran government's policy all along and will require no changes in position, the news agency reported.]

Sen. Alan Cranston, Democrat of California, said the committee vote indicated that the "centrist government needs to reach out and carry out reforms, and if it's unwilling or unable to do so, then we have nothing to support."

The initiative was supported by the committee chairman, Sen. Charles H. Percy, the Illinois Republican, and all the committee Democrats, Sen. Richard G. Lugar, Republican of Indiana, voted by proxy against the conditions.

El Salvador is scheduled to receive \$26 million in U.S. aid this year.

The committee, moving toward approval of the overall \$5.7 billion foreign aid bill, voted several amendments to tighten restrictions and to increase reporting to Congress on the transfer abroad of

Costa Rica Cuts Ties With Cuba, Charging 'Insult'

SAN JOSE, Costa Rica — Costa Rica has broken diplomatic relations with Cuba.

A Foreign Ministry communique Monday said the decision was prompted by insulting references to Costa Rica made by a Cuban representative in a statement to the United Nations last December.

Costa Rica had resumed diplomatic relations with Cuba at consular level in 1977 after a 15-year break.

The ministry said Cuba's charge d'affaires at its UN mission, Felix Pita Astudillo, had accused Costa Rica of supporting an alleged counterrevolutionary campaign by the United States against Cuba.

The Costa Rican decision, reflecting a mood of increasing coolness toward Havana in the region, followed a break announced in March by Colombia, which had accused Costa Rica of training anti-government guerrillas.

The delay has prompted the labor union that represents UN staff members to urge Secretary-General Kurt Waldheim to take a public stand, now that his efforts at "quiet diplomacy" have failed.

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Thatcher, Schmidt Warn EEC They Want Reforms

(Continued from Page 1)

Kingdom and Germany, they can be, and will be solved," the chancellor said. The prime minister answered, "yes, we are," when asked if the two were again friends, following a bitter clash over fishing rights at their last meeting seven weeks ago at the Dutch city of Maastricht.

Although obviously anticipating a fierce tussle with Mr. Mitterrand, the two leaders were careful to say cordial things about him and his victory in the presidential election Sunday.

"This is not the first time we have had a transfer of power in the community," Mrs. Thatcher said. "It is for France to choose her president and for us to work with France's choice. I hope and believe I will establish the same good personal relationship with him as Chancellor Schmidt and I enjoy."

"I underline strongly what has been said about our mutual, joint attitude of extending a warm welcome," Mr. Schmidt declared.

Nonetheless, participants in the talks from both sides expressed apprehension about the possibility that Mr. Mitterrand might be obliged to include Communist ministers in his government. These would be the first such ministers in any EEC member country.

On the budget, Mr. Schmidt said that he would insist that the Community live within the present ceiling on its expenditure, which is 1 percent of the revenues from the value-added (sales) tax in the member countries. That limit is about to be reached because of unchecked growth in farm subsidies, and the chancellor said reform of the common agricultural policy would therefore be a necessity. He also said he would demand limits on the amount any country could be asked to contribute and limits on the amount any country could receive.

France has resolutely opposed any change in the subsidy system. The British and West German leaders said that they expected the EEC Commission to produce reform proposals for consideration at the next community summit meeting in Luxembourg on June 30. They added that they hoped to make the required decisions, at least in principle, before Dec. 31.

Turks Seize Greek Boat

The Associated Press

ANKARA — The Turkish Coast Guard seized a Greek fishing boat near the Greek island of Mithina after it allegedly entered Turkish territorial waters without permission, the Foreign Ministry announced Tuesday. Mithina is about 10 miles (16 kilometers) off the Turkish Aegean coast.

The boat was carrying 15 fishermen and was carrying a large quantity of fish. The fishermen were taken to a police station in Ankara.

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ENCOUNTER — President-elect Francois Mitterrand paused to chat on a Paris street Tuesday.

JPL 10150

White House Social Security Proposal could Encourage After-65 Retirement

By Lou Cannon and Spencer Rich

WASHINGTON — The Reagan administration proposed major reductions Tuesday for Social Security recipients who are before age 65, along with retirement until after that age.

Richard S. Schweiker said the only effect the proposals would have on the 31 million retirees now receiving benefits would be a three-month delay in the 11.2-percent cost-of-living increase this year, from July to September, leading to an estimated saving of \$4.5 billion.

Under the administration proposal, people retiring at 62 would receive 55 percent of their full benefits, rather than the current 80 percent. The "earnings test" for recipients over 65, under which benefits are reduced \$1 for every \$2 earned above \$5,500, would be phased out over a three-year period.

Senate Says Reagan Tax Bill Lacks Committee Support

By Edward Cowan

WASHINGTON — Sen. Robert Dole, chairman of the Senate Finance Committee, says that the Reagan tax-writing panel's proposed three-year, 30-percent tax cut lacks the support of 10 of the 11 committee members.

He added that if there was no time for a second tax bill this year, administration wanted to put into effect the tax-relief features of a second bill. Those features include relief for the "marriage penalty" in families with two earners, would require scaling back across-the-board rate cuts, he said.

President Reagan has repeatedly promised that he would not reduce benefits for those already on the Social Security rolls. He opposed a Senate resolution last week to change the formula for calculating cost-of-living increases in benefit levels.

Isolated Rebel

From Agency Dispatch

Government said Tuesday that it was not taking any action against the rebels. There was no violence reported in the area.

Botha Warns Mugabe on Guerrilla Office

By Caryle Murphy

PRETORIA — Prime Minister Pieter W. Botha has strongly urged that if Zimbabwe allowed the banned African National Congress to open offices in that country, it would be regarded as a hostile act inviting retaliation by South Africa.

More Buildings Fall Into Yawning Florida Sinkhole

United Press International

WINTER PARK, Fla. — Two more commercial buildings crumbled "by bits and pieces" into a yawning sinkhole that is turning one Winter Park neighborhood into an expensive dump.



A car falls out of the back of a crumbling building into a large, growing sinkhole in Florida.

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3 Hurt in Bomb Blast Aboard French Train

United Press International

PARIS — Three persons were injured slightly in the explosion of two bombs aboard a high-speed train shortly after it pulled out of Paris for the city of Lyon, railroad officials said.

Pakistan Is Disappointed But Accepts U.S. Aid Plan

By Michael T. Kaufman

ISLAMABAD, Pakistan — The proposed \$500-million-a-year package of American military and economic aid for Pakistan falls short of matching Soviet military assistance to India, which, according to a senior Pakistani official, was what his government wanted Washington to do.

Washington said they were confident they would be able to arrange a compromise and obtain the approval of both House and Senate. Even if this takes place immediately, the first \$100-million loan for economic support would not be forthcoming before October, when the new fiscal year begins.

The Pakistani official cited these factors in an attempt to minimize Indian concerns that a Pakistani-American relationship would aggravate tensions in the area. He pointed out that each annual allocation was dependent on congressional approval and that this should placate critics in the United States who feel the deal might condone nuclear proliferation.

Actual Value

A Pakistani military source said that the actual value of the Soviet equipment being sent to India would be \$7 billion if purchased at market prices, while a U.S. military expert placed the figure closer to \$4 billion.

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Senate Defeats Attempt to Bar 3-Year Tax Cuts

By Martin Tolchin

WASHINGTON — The Republican-dominated Senate has rejected an amendment to the fiscal 1982 budget that would have barred enactment of President Reagan's proposed three-year, 30-percent tax cut.

3 TV Networks Are Sued in U.S.

The Associated Press

WASHINGTON — Ted Turner, founder of the Cable News Network, says he has filed suit against the three major television networks and President Reagan in an effort to break up what he called "predatory and illegal practices" involving the pooling of TV news coverage.

Pentagon List Of Expendable Bases Reported

Washington Post Service

WASHINGTON — The Pentagon has compiled and sent to the White House a list of military bases that could be closed or shrunk to save money, according to government officials.

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Talk of War in Mideast

For the first time since October, 1973, there is serious talk of war between Israel and an Arab neighbor. Following a familiar pattern of one thing leading to another, Syria has installed Soviet surface-to-air missiles on the Beirut-Damascus road and along the Syrian-Lebanese border. This challenges Israel's previously uncontested control of Lebanese air space. The Syrian force occupying Lebanon has also taken command of key mountain ridges. The combination, according to Israeli Prime Minister Menachem Begin, constitutes an intolerable threat to Israel's security. According to Mr. Begin, the Israeli air force planned to take out the missiles at the end of April, but was frustrated by the weather. Subsequently, Israel agreed to let the United States try to find a diplomatic solution to the crisis, which has substantial political dimensions. Both Mr. Begin and Syrian leader Hafez Assad need to rally internal support at the moment and the missiles provide the opportunity to do that by acting tough.

But a lot has changed since the Yom Kippur War of 1973. For one thing, Egypt, with the largest and best army in the Arab world, has signed a peace treaty with Israel. All those who are critical of the Camp David accords should try contemplating the current situation without them. There is also a war under way between Iraq and Iran, which takes the second strongest Arab fighting force off the firing line with Israel. Furthermore, Syria, which is often an odd man out in the Arab world, is now more isolated than ever, and more dependent on the Soviet Union, which has been accused in some quarters of inspiring the current trouble. All of those factors make Syria's position look rather pre-

carious, but weakness sometimes can be a spur to belligerence. And as Washington Post correspondent Jonathan C. Randal has pointed out, "a clever Arab leader can turn military defeat into political victory."

U.S. envoy Philip C. Habib is now shuttling back and forth trying to prevent the fifth Arab-Israeli war in 33 years from breaking out. It will take the most creative kind of diplomacy to come up with a plan that will satisfy both the Syrians and the Israelis. At a minimum, Israel wants a return to the status quo ante with the air space free and Syrian troops off the Lebanese mountain peaks. Mr. Begin might settle for just the air space. Mr. Assad, having moved the missiles in after Israeli pilots downed two Syrian helicopters, is not likely to take them out without a face-saving gesture that will protect his political and diplomatic flanks.

The real fear, though, is that Mr. Begin, Mr. Assad or both will decide that the best payoff will result from a war, which probably would be a short, limited conflict. But other Arab countries could come to Mr. Assad's aid, or Israel might decide to strike deeply into Syria. Either decision could lead to superpower involvement. The risks are high and the only seeming certainty is that if Syria doesn't take out the missiles, Israel will. The Soviet Union has its envoy in the area, too. The United States cannot control Israel's actions and the Soviet Union cannot control Syria, but if a way is not found to get the missiles out of Syria to prevent war, it could be because one superpower wasn't trying hard enough.

INTERNATIONAL HERALD TRIBUNE

Mitterrand, Still Running

Thirty million French voters, we would like to believe, can't be wrong. A majority of them voted for change and they are sure to get it, perhaps more than they bargained for. What kind of change? That, alas, even Francois Mitterrand, the winner in Sunday's presidential runoff, is in no position to say.

Many owners of French assets seem unwilling to wait to find out; they think Mr. Mitterrand is committed to refueling France's economy, risking more inflation, and to nationalizing some major industries. Americans naturally wonder how far the new president will move away from the alliance and, despite his anti-Soviet views, what allied interests he may barter for Communist support at home. Valid though they are, these concerns are premature. By swinging left to oust President Valery Giscard d'Estaing, the French have knowingly chosen uncertainty.

Nothing will ever begin to come into focus until after two more rounds of voting, probably next month. Mr. Mitterrand wants a new National Assembly more congenial to his views — without the present conservative majority, which could paralyze government, but also without a Communist stranglehold on the left. Getting such a realignment will be vastly more difficult than was winning a two-man race last Sunday. A parliamentary election will be contested in two stages by four main parties and several smaller ones, in 491 separate districts.

Indeed, to get the center-left majority he seems to prefer, Mr. Mitterrand would have to capture the support of Mr. Giscard d'Estaing's center party allies. That, in turn, probably requires a major change in the electoral system, which now favors the right-wing

Gaullists. Although they received roughly the same number of votes in the 1978 parliamentary voting, the Gaullists took 30 percent of the seats to the Socialists' 21 percent.

A proportional system would favor a center-left coalition, but it would also risk a larger Communist bloc. In any case, if the present Assembly restricts a new electoral law, it could be changed only by a national referendum, which Mr. Mitterrand is unlikely to risk.

So the chances are that the Mitterrand government will have to govern by bargaining simultaneously with the center parties and the Communists, balancing one against the other. And the only sure thing about that process is that its course cannot be predicted.

The post-election financial panic should not run long; the Bank of France can probably use its large reserves to prevent a hemorrhage. There is no point in now pressing Mr. Mitterrand about NATO nuclear missiles or how his dependence on Communist votes might affect France's relations with either Moscow or the allies. The strength and stability of his regime will have to be determined before it can choose its course.

De Gaulle's main monument, the Constitution of the Fifth Republic, has provided political stability and extraordinary economic progress for 23 years. Now there begins the first transfer of power from right to left, with the nation divided down the middle. For the foreseeable future, Mr. Mitterrand will be concerned not so much with how to use his new office as how to secure the powers it has had for a generation.

THE NEW YORK TIMES

International Opinion

France's New President

Francois Mitterrand won middle-of-the-road voters' support by promising to solve unemployment, reform the tax system, improve working conditions and increase social welfare. Economic changes, however, inevitable will be restrained by the recession in all the Western economies.

— From the People's Daily (Peking).

French voters showed their dissatisfaction with the economic policies of incumbent President Valery Giscard d'Estaing and the general decline that those policies caused in the nation's standard of living.

— From Izvestia (Moscow).

It remains to be seen whether President-elect Mitterrand will carry out his proposed program of nationalization. Mr. Mitterrand will be wise enough not to jeopardize his chance of success in leading the French people by committing himself to rash actions unnecessarily.

— From the Indonesian Observer (Jakarta).

France has decided to swim against the wave of conservatism which covers the Western world. The real result of the election will

not be known until France holds its elections for a new Assembly, where conservatives now hold the majority.

— From the Morning Herald (Sydney).

It will be necessary to remember throughout Mr. Mitterrand's term that he rode to power with the help of the Communist Party of France and it is never easy for anyone to get off the tiger's back.

— From the Nation Review (Bangkok).

We must caution that French-Arab relations could change because of Mr. Mitterrand's election and we urge Arabs to demonstrate self-confidence in resistance to his allegedly pro-Israeli position. Arabs are perfectly capable of perpetuating a pro-Arab France.

— From Al-Rai Al-Ram (Kuwait).

The election result is a reminder, if one was needed, of the health of French democracy, showing that the opposition is not indefinitely excluded from power. It is also a tribute to the stability and self-confidence which France has recovered in recent years that the electorate felt that it could take such a bold step.

— From The Times (London).

In the International Edition

Seventy-Five Years Ago May 13, 1906

DENVER — Dr. E.P. Blomer, who has just visited the insane asylums in the West, states that strawberries are the cause of much insanity. He says each year is marked by an increase of insanity during the strawberry season, and when the berry is out of season the records of the asylums show a marked decrease in the causes of insanity. He figures to support this theory. Dr. Blomer is unable to explain the reason for this, but cites the fact that many persons are unable to eat strawberries without suffering from a rash. He believes the berries affect the minds of nervous persons instead of the bodies.

Fifty Years Ago May 13, 1931

MADRID — Madrid itself was quiet today, but the anti-religious disorders have spread to other centers in the provinces. Martial law either has been proclaimed in Cadiz, Granada, Malaga, Seville and Alicante. In all these cities, riots including the firing of religious buildings have occurred today and the military has been summoned to quell the demonstrators. Members of the Cabinet are becoming more strongly vociferous in accusing the monarchists of direct action in fomenting these disturbances in order to embarrass the republican government. Meanwhile, monarchists press for the restoration.



The French Choice

By Joseph Kraft

PARIS — Europe lurched toward neutralism Sunday when France elected a new president and West Berlin picked a new mayor. France dumped the most pro-U.S. leader of the Fifth Republic, Valery Giscard d'Estaing, in favor of a Socialist, renowned for unreliability and heavily dependent upon Communist backing — Francois Mitterrand. Berliners shook the coalition that supports the most pro-U.S. leader in the history of the Federal Republic, Helmut Schmidt.

Washington, in these conditions, has to reassess the Atlantic connection. What follows is an analysis of the French choice in that context.

France waxed fat during the seven-year rule of Mr. Giscard d'Estaing. Per capita income here rose faster than in any other advanced country except Japan. With growth went undoubted social progress. Good roads, an excellent rail system and modern telecommunications pulled even the most remote areas into the 20th century. A basic minimum salary was made available to agricultural workers. Bidonvilles — the tarpaper shacks that used to house foreign laborers in every French city — disappeared.

Cold War

Almost alone among Western leaders, moreover, Giscard d'Estaing followed the Japanese example of systematically organizing the French economy for competition in the international marketplace. He poured cold water on inefficient industries, and fostered concentration among French firms in data processing, nuclear power, aerospace and sophisticated materials.

But the whole program was rammed down from the top. Technocracy in Paris managed the economy and made the big decisions. Mr. Giscard d'Estaing himself combined the technocratic approach with a cold snobbishness that kept him aloof from ordinary people. He thus became vulnerable to the dominant political force of the time.

That force, sometimes mistaken for a swing to the right, is populist resentment of centralized bureaucratic direction in the interest of

modernization. It won elections for such disparate figures as in such disparate countries as Menachem Begin in Israel and Margaret Thatcher in Britain and Ronald Reagan in the United States.

Lost the Provinces

In France, this force was mobilized during the first round of the presidential elections by the right-wing Gaullist candidate, Jacques Chirac. It overwhelmed Mr. Giscard d'Estaing. It is typical that, apart from Paris and some conservative strong points, Mr. Giscard d'Estaing lost all provincial France.

Mr. Mitterrand, who is the beneficiary of the anti-Giscard vote, is anything but the Communist dupe portrayed by his enemies. Personally he is as bourgeois as Monsieur Bovary. His record, at home and abroad, qualifies him as one of the most dedicated anti-Communists in this country.

He backed the Socialists in kicking the Communists out of the French government in 1947. He supported the Socialists in crushing Communist-led strikes in 1949. Since those days, of course, Mr. Mitterrand has joined the Third Worlders in a general belief that the way to deal with liberation movements in Latin America, Africa and Asia is more by "social reform" than application of muscle. Still, he denounced the Soviet invasion of Afghanistan in far tougher terms than Mr. Giscard d'Estaing, and equally the Soviet maneuvers around Poland. More than Mr. Giscard d'Estaing, he has openly supported the U.S. effort to modernize European nuclear forces. Indeed, my private view is that Mitterrand counts as his chief objective in politics the crushing of the Communist Party and the development of a center-left majority.

Period of Chaos

At present, however, he lacks a majority in the French parliament. To get even a working minority, he will have to dissolve the National Assembly and hold legislative elections next month. The only way he can avoid defeat in those elections is to pool votes with the Communists in left-wing districts.

If that tactic fails, there will be a

period of chaos, as for the first time in the Fifth Republic a president tries to rule with a majority in active opposition. Even if Mr. Mitterrand wins a working minority as he may, because of the bitter rivalry between Mr. Giscard d'Estaing and Mr. Chirac for leadership of the opposition — a chancy period lies ahead. For the new president is committed to a program of economic stimulation bound to erode confidence in financial circles. And, with it, the prosperity of the seven fat years.

To be sure, Mr. Mitterrand is a supple politician. Many Frenchmen voted for him in the belief that, as one put it to me election night, "Anything he promises to do he will surely not do." But even so, France today recalls the comment of Louis Philippe that in France "Anything is possible, but nothing can last."

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Lessons From NATO

By Tom Wicker

NEW YORK — President Reagan's decision to enter talks with the Soviet Union on limiting the number of nuclear missiles in Europe only reconfirms what has been the U.S. position. But John Vinocur of The New York Times reported from the Rome meeting of the North Atlantic Treaty Organization that the proposed talks were "characterized by the Americans as a means of restraining Soviet power."

Obvious? Of course. But if that attitude creeps far enough into high-level administration thought, it could produce a welcome shift from the prevalent Reaganite view that strategic arms negotiation is a process by which the United States weakens itself.

Restraint

SALT supporters do not argue that strategic arms limitation can do more than restrain Soviet power, in return for similar U.S. restraint — and therefore bring some order, balance and predictability into what would otherwise be a wide-open arms race. Arms limitation is a contribution to, not a guarantee of, national security.

One of the best arguments for SALT-2, for example, was that it would have limited the Russians to 10 warheads on each of their biggest missiles — surely better for U.S. security than the 20 or 30 warheads that, without SALT, they can mount per missile.

Mr. Reagan's willingness, expressed in a handwritten letter to Leonid Brezhnev, the Soviet leader, to discuss "theater nuclear forces" should not, of course, be confused with a decision to reopen negotiations for an arms limitation treaty between the two superpowers. Nor does it signal abandonment of the administration's "linkage" concept, under which

Soviet behavior disapproved by the United States would affect the Reagan administration's willingness to negotiate.

Additional Price

On the contrary, the communiqué that emerged from the Rome NATO meeting suggests that Secretary of State Alexander M. Haig Jr. brought the allies to substantial acceptance of "linkage" — perhaps as an additional price for the president's decision to go ahead with theater nuclear discussions.

Mr. Reagan had little chance to avoid that decision had he wanted to. At the NATO meeting of December, 1979, when the European allies agreed at U.S. urging to deploy 472 medium-range Cruise missiles and Pershing-2 missiles, the United States agreed in turn to enter negotiations with Moscow to seek limitations on both sides' missiles.

That promise has been reinforced by growing European political controversy about the so-called "modernization" of NATO missile forces, particularly in West Germany and the Netherlands.

If the Reagan administration had reneged on the talks, moreover, the Europeans might have reneged on missile deployment — or found it politically impossible to carry out. Mr. Reagan's letter to Mr. Brezhnev did not, therefore, necessarily represent any substantial change in his jaundiced view of Soviet intentions or his reservations about strategic arms negotiations.

It's worth two cheers, anyway, not least for its tacit recognition that a restraint on Soviet power can be as useful as a U.S. buildup — sometimes more so. Moscow is reported, for example, to have 1,040 warheads ready for use against Western Europe; they are

mounted mostly on 250 SS-20 missiles — "double the number" deployed at the time of the December, 1979, NATO meeting.

That suggests, first, the responsiveness of each side to the other and the difficulty of outguessing the other. Moscow builds up its nuclear power in Western Europe, NATO responds with the 1979 decision to "modernize" its missile force; whereupon Moscow builds up even further. With one side or the other in the lead — usually the United States — that kind of lethal leapfrog has been endlessly repeated in the nuclear arms race.

The sequence of events in Europe suggests, further, the logic of arms negotiations. Even when the 1979 program is carried out, NATO will have less than half the Soviet total of warheads — and that not until 1988. Some combination of NATO buildup and a negotiated reduction or stabilization of Soviet strength, if it can still be obtained, obviously makes more sense than a continuing theater arms race.

Something to Ponder

Finally, the situation suggests that NATO may have been mistaken to decide to deploy new missiles before theater nuclear Emulation talks were undertaken. Negotiations begun first, under the threat of a Western buildup if the talks did not succeed, might well have prevented or at least limited the Soviet expansion of the last 18 months.

There's something for Mr. Reagan to ponder as he readies a massive new U.S. investment in strategic and conventional forces. That can no more guarantee national security than arms limitation can; but so far it ignores the contribution the latter might make.

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JPYcial:SD

Bob Marley, 36, Dies of Cancer

MIAMI — Bob Marley, 36, the well-known and most influential reggae singer, died Monday of cancer at Cedars of Lebanon Hospital in Miami.

Mr. Marley had been hailed by Jamaican Prime Minister Edward Seaga as a "cultural ambassador" last month. The Jamaican government awarded Mr. Marley the Order of Merit, its third highest award, in recognition of his contribution to Jamaican culture.

Reggae is an off-beat accented African popular music with roots in Caribbean dance forms and American soul music. With his stirring songs and arrangements and charismatic stage personality, Marley and his group, the Wailers, won audiences all over the world and influenced other reggae and pop musicians.

Mr. Marley's cancer was diagnosed after the Wailers' final concert at Madison Square Garden last September. The cancer first appeared in his foot and spread to his brain, lungs and liver.

Reggae was one of the earliest forms of Third World popular music to make a mark in the United States, in Britain, where it is especially popular, and in other areas of the world; Mr. Marley and the Wailers gave notable concerts in Africa.

"Get up, stand up, stand up for your rights," his music counseled blacks around the world. "Get up, stand up, don't give up the fight."

Bob Marley was born on Feb. 6, 1945, in the village of Trenchtown in northern Jamaica. His father, who died when the boy was young, was a white English army captain who had married a black Jamaican woman. The family moved to the Trenchtown ghetto of Kingston when Bob Marley was 9.

As a teen-ager, he found work as an electrical welder, but spent most of his time making music. Mr. Marley recorded his first single in 1962 after being introduced to a producer by Jimmy Cliff, who also became a reggae star.

The Wailers made their first record in 1963; the original line-up included Peter Tosh and Bunny Livingston, both of whom have since enjoyed significant solo careers. The band's four Jamaican albums up to 1972 earned the group a total of \$200, Mr. Marley later recalled in a New York Times interview.

In 1972 Mr. Marley signed with Island Records, which had been founded by Chris Blackwell, a wealthy white Jamaican. It was partly through Mr. Blackwell's skills as a promoter that Mr. Marley and reggae began to influence other artists, with many pop and rock stars recording his songs. The best-known was Eric Clapton's version of Mr. Marley's "I Shot the Sheriff;" others to record his songs included Taj Mahal, Barbra Streisand and Johnny Cash.

Mr. Marley was one of the most outspoken public figures to espouse the Rastafarian religious movement, Rastafarianism, closely associated with reggae, proclaims the late Emperor Haile Selassie of Ethiopia as divine. Rastafarians believe themselves black Hebrews exiled to a white, capitalist "Babylon," with an eventual return to Zion, or Ethiopia, as their reward.

Benjamin Henry Sheares
SINGAPORE (AP) — Benjamin Henry Sheares, 73, a former medical professor who held the largely ceremonial office of president of Singapore for more than a decade, died Tuesday after having a cerebral hemorrhage Friday, the government announced.

Mr. Sheares had no executive powers in the government led by Prime Minister Lee Kuan Yew, though his approval was needed for an act of Parliament to become law in Singapore. Mr. Sheares was elected president in January, 1971, and re-elected twice, most recently in December, 1978.



Bob Marley

Hebron Is Microcosm of West Bank Strife

Jews, Arabs Trade Accusations in Ancient Property Dispute

By Norman Kempster
Los Angeles Times Service

HEBRON, Israeli-Occupied West Bank — This ancient city of Abraham, traditional birthplace of both the Jewish and Arab peoples, has become the tensest town on the West Bank, a place where Israel's festering intercommunal strife is closest to the surface.

Arab residents of this once totally Arab city of 70,000 complain that Jewish settlers are trying to drive them from their homes with daily provocations ranging from throwing rocks through their windows to firing automatic weapons over their heads.

Jewish community leaders say the Arabs are blowing a few petty incidents out of proportion. One Jewish settler suggested that the charges were intended to incite Arab mob violence against the Jewish settlers.

Investigation Criticized
The Israeli military government of the West Bank recently ruled, following an investigation, that some incidents of harassment had occurred but that the situation was not as serious as the Arabs said.

However, Israel's Hebrew-language newspapers and state-run television have given substantial coverage to the Arabs' claims. The Ha'aretz newspaper said editorially that the military investigation was inadequate and biased on the side of the Jewish settlers.

Mustafa Natshe, the Arab acting mayor of Hebron, charges that Jewish settlers are trying to make life so uncomfortable for the city's Arabs that large numbers of them will move out, clearing the way for Jewish settlement in the heart of the ancient city.

Most of the 3,500 Jews in the area live in Kiryat Arba, an all-Jewish compound just north of the city limits. The only Jewish foothold within the city proper is held by about 100 people who for two years have occupied a dilapidated building that once housed the Hadassah Hospital. The building is on the edge of a teeming Arab market.

"There are 100 settlers in that building," Mr. Natshe said. "It has 12 rooms. Do you think that is sufficient? They make trouble to get the Arabs to move so they can expand. It is impossible to live like this."

Complaints Listed
In an interview in his office, Mr. Natshe recited a catalog of complaints. He said armed settlers had invaded Arab homes on the pretext that the houses were once Jewish-owned. Children are encouraged to throw rocks at Arab windows, he said, and settlers have uprooted young olive trees on Arab-

owned farms. He accused settlers of scraping top soil from an Arab farm to enrich Kiryat Arba's flower gardens.

Jewish leaders scoff at the charges. Eliakim Haetzni, a Kiryat Arba attorney and a frequent spokesman for the Jewish settlers, said Mr. Natshe had taken his complaints to the press instead of the police because he realized they were unfounded.

"Either these are false rumors or there is something to it," he said. "If there is something to it, the police should catch the ones who did it. If there is nothing to it, that should be announced. Either way, we are happy. But we don't want this poisoned atmosphere against us."

Mr. Natshe replies that the Arabs have no confidence in the police, who are responsible to the Israeli government and not to the municipality, and that the police cooperate with the settlers.

The basic issue is the rightful ownership of contested land. In that respect, Hebron is a microcosm of the Jewish-Arab tensions throughout the West Bank territory that Israel seized from Jordan in the Six-Day War of 1967.

But in Hebron, the emotions are more pronounced. The city where Abraham lived and is buried is sacred to both Jews and Moslems. It has been fought over for centuries.

"Both sides are right," Mr. Haetzni said. "This is a unique situation in the whole world. I am a lawyer, but even if I was not a lawyer, I could argue both points. They say to us, 'Why do you come here? We were here before you.' We reply that we were here before they were. Now, try to judge that situation."

House In Dispute
Although Kiryat Arba remains controversial, the center of the dispute is Hadassah House, the old hospital, where a group led by Miriam Levinger, the Brooklyn-born wife of a firebrand rabbi, first seized the building, the government of Prime Minister Menachem Begin denounced them as illegal squatters and told them to vacate. When they refused to go, however, they were not evicted. Now the building is protected by armed Israeli soldiers, and the Israeli Supreme Court recently refused to order the settlers to leave.

Mr. Natshe, the acting mayor, sees the situation as a symbol of unequal law enforcement. And he says that children from Hadassah House regularly ruin rocks and garbage on customers and shopkeepers in the Arab market below.

OBITUARIES

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Census Finds Greeks Spurning City to Return to Land

New York Times Service
LAMIA, Greece — Signs of change, confirmed by the country's latest census, are appearing around Lamia, a modest-sized city surrounded by mountains and farms. Farmers who had been lured to the city by the prospect of property in the increasingly polluted and overcrowded capital are returning to their land.

Officials say this return to the countryside is evident throughout the country following three decades of large-scale emigration and urbanization. Disillusionment with city life and the prospect of higher living standards for farmers if Greece joins the European Economic Community are cited as the two main reasons.

"The trickle back from the city to the land has begun," says Ioannis Pappalopoulos, governor of the Agricultural Bank of Greece. "Youngsters in their 20s are now coming to our bank asking for loans to help them leave the city, to revive their fathers' abandoned farm plots."

Stathis Dimitriou, a candidate for mayor of Lamia, confirmed the trend.

"The capital lured away many of our youths in the past decades," he said, "but it failed to meet their expectations. They became hotel waiters or petty merchants, and were choked by the traffic, construction and pollution. They have had enough and are now returning."

The 1981 census results, announced last month, showed that for the first time since World War II the rate of city population growth was dropping and that of the countryside was increasing.

Added to this is the conservative government's policy of spending an increasing share of the budget on modernization of agriculture, setting higher prices for farm products and granting substantial subsidies. This support, despite doubts voiced by the opposition Socialist Party, is expected to be accentuated with EEC membership.

Agriculture Minister Athanasios Canelopoulos, in a survey designed to counter Socialist arguments that farmers would be ruined by EEC membership, estimated that it would provide farmers with \$390 million this year and \$890 million by 1984.

Leaders of farm unions say the

intensifying dispute between the government and opposition, building toward the November election, is confusing farmers over the gains or disadvantages of membership in the EEC.

Officials from both parties concede that the farmers' vote will be crucial in determining the outcome of what is expected to be a close election, one also fought largely over EEC membership. But Andreas Pappalopoulos, leader of the Socialist Party, says the farm price increases could be a main cause of a government defeat.

Ivory Coast Accused Of Anti-Union Arrests

PARIS — The French branch of Amnesty International says that dozens of workers in the Ivory Coast were arrested or forced into military service last December because of their union activity.

It said Monday that those sent into military service included 18 journalists and technicians with the Ivorian Press Agency and the Ivorian Radio-Television Service, and it appealed to President Felix Houphouet-Boigny to release them.

Cambodia's Baby Boom Reverses Trend

PHNOM PENH — Cambodia, which is said to have suffered the deaths of millions of its people in the late 1970s, is experiencing a birth-rate explosion reminiscent of Europe's postwar baby boom.

Despite major health and social problems and the political uncertainties arising from the Vietnamese military occupation, the current rise in pregnancies and births seems to ensure that the population will regain its size of the early 1970s.

The Vietnamese-backed government gives the present population as 5.7 million. It says about three million people died during the pro-Chinese Khmer Rouge rule from 1975 to early 1979.

The exact number of deaths resulting from the civil war, famine and revolutionary excesses in the decade of the 1970s will probably never be known, and foreign specialists have frequently expressed fears about the survival of the Cambodian people. But now health experts in the country are worried not about survival but about limiting families to five children each.

Exact figures, or even reliable estimates, are not available for the birth, death or overall population growth rates, mainly because of the difficulties of gathering such information. But the new babies are one of the most visible phenomena in the cities and countryside today, and the baby boom is confirmed by Cambodian officials and foreign aid workers.

Despite the lack of any large-scale survey, the reasons for the baby boom are not difficult to guess: freedom from the fears of starvation that were prevalent in 1979 and early 1980, the traditional reasoning that large families are an insurance for the future, and the end of Khmer Rouge control, which extended even to sexual relationships.

"After the Khmer Rouge were ousted in January, 1979, families were reunited, people were happier and they began to eat more," an official said.

Ang Sarun, director of the mother and child health department, estimated the birth rate for the country last year as 4.8 percent, which would put it among the highest in the world. But her estimate was based on only five villages.

No Family Planning Program

Cambodia has not yet developed a family planning program, but Mrs. Ang Sarun believes one will be necessary.

"Of course we need more people, but we must also project for the future," she said, adding that at present some women were having a baby each year. "We need distances between pregnancies," she said.

Mrs. Ang Sarun said that under the rule of Pol Pot, the Khmer Rouge premier, "people were trou-

Cambodia's Baby Boom Reverses Trend

bled in spirit, and they despaired — husbands and wives were separated and experienced privations."

No figures are available for the birth rate during the Pol Pot regime, when many families were divided, work hours were abnormally long and extramarital affairs were not tolerated.

Today illegitimate babies are commonplace in Cambodia. The cause is partly the preponderance of women, estimated by some officials as 60 percent of the adult population.

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Gold Medal

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Swissair or your IATA travel agent will be glad to give you all further information.

swissair 1981 1981

Media

U.S. Edition of Geo Hits Bumpy Road

By N.R. Kleinfield
New York Times Service

NEW YORK — The dream was that it would become a Cadillac among magazines. Many bags of gold were laid aside to insure success. The West Germans promised to pump \$20 million into it, and it was clear they were not kidding. The sumptuous penthouse offices at 450 Park Avenue alone were testimony to that.

In the beginning, the sense of promise was unbelievable, recalls an original member of the staff. "We thought we were going to do something really unique and important."

But after two years of publication, glossy Geo magazine with its lime-green cover, which thinks of itself as a running record of the condition of the planet, looks more like an Edsel than a Cadillac. Since its debut was announced in February, 1978, by its Hamburg parent, the Gruner & Jahr publishing company, it has had three publishers and three managing editors. Last June, 14 of its 36 staffers were dismissed. The \$20 million is just a memory. Geo's losses are already reckoned to have exceeded \$35 million, and magazine people figure that Gruner & Jahr will have to part with \$50 million to \$60 million before it ever sees a penny of profit.

Owners Say They Will Stick It Out

But despite the troubles, the German owners insist they are going to stick it out. "We didn't go into this market for testing purposes," observed Jan Hensmann, the head of Gruner & Jahr's magazine group. "This is part of an international marketing strategy. We invested too much money to get where we are, but we are there and we are content to be there."

Peter Diamandis, installed last fall as Geo's latest publisher, has worked up a list of tricks that he is betting will shake the magazine out of its miseries. Many, however, believe the dream is fatally flawed. "I've begun to think of Geo as a number on a roulette wheel," a magazine editor remarks. "The odds are that its number may eventually come up, but the question is how many chips do you have to plunk down before it happens."

Geo is, without doubt, one of the most ambitious and singular magazine experiments to hit the U.S. market. As conceived by Gruner & Jahr, which owns the prosperous Stern and other magazines, the idea was to fashion an international network of Geos, starting with editions in Germany, France and the United States. The magazine was intended to probe the "human geography" of the world, in a more hard-hitting way than has been the custom at the basically upbeat National Geographic, which Geo staffers sometimes allude to as "the big yellow one."

Geo was going to back a lot of articles of faith in the magazine business. For one thing, the reader was to pay most of the magazine's freight. Bedeviled by spiraling postal and production costs, American magazines have increasingly sought to wear more money from readers, though few manage to pocket more than half their revenues from circulation. Geo was aiming at collecting 75 percent.

Thus, the cover price was fixed at \$4. A year's subscription would set you back \$36. Readers were to be rewarded for shelling out so much money by not being bombarded with ads, which would be held to 29 pages an issue, with about 80 percent of the magazine editorial matter. Only four-color, full-page ads would be accepted.

The formula clicked in Germany and France, where the Geos quickly moved into the black, but calamities beset the U.S. Geo from the start. The managing editor, Peter Young, a Saturday Review alumnus, was dismissed before the first issue appeared, after disputes with the German owners. Before a replacement could be found, the magazine was run by editor in chief H.J. Kaplan, whose previous job was as communications director at the Bendix Corp.

Two months later, Geo's president and publisher, Charles Randolph, formerly publisher of Business Week, was dismissed after squabbles over meddling from the owners. Igor Gordevitch, who had been publisher of the defunct Vision magazine, stepped in.

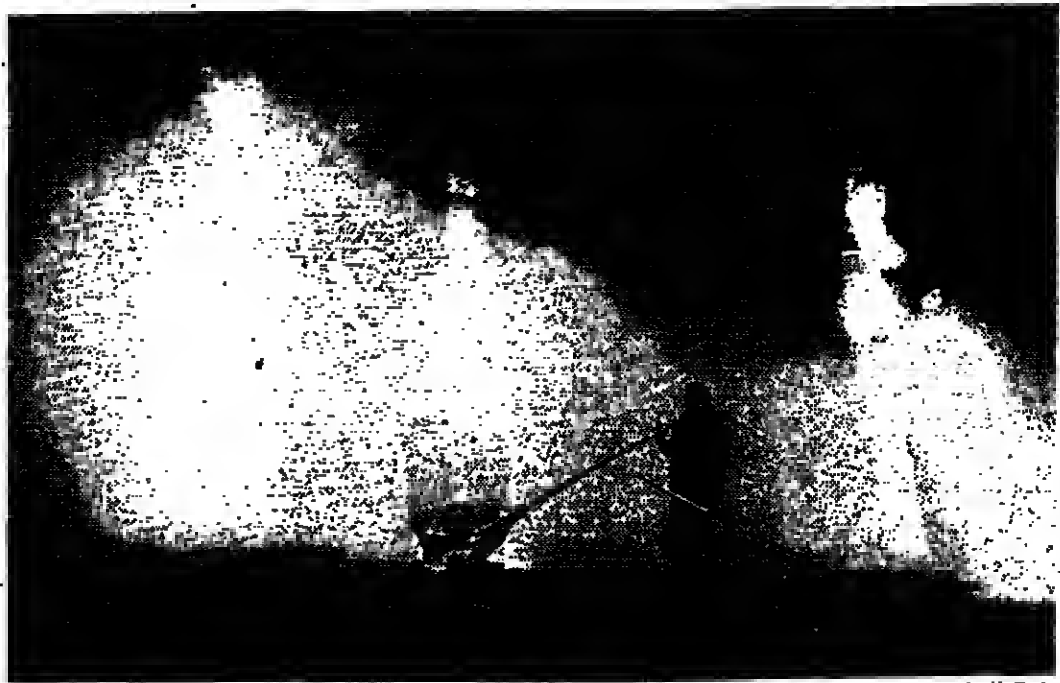
In May, 1979, the magazine began regular publication, but people balked at the price. A circulation of 300,000 was expected in two years and 500,000 in three. Early issues drew about 100,000 paid readers. Only recently has the circulation base been raised to 250,000, after Geo picked up subscribers from the defunct English-language version of Realites.

One of Geo's chronic demons has been frequent quarrels among its U.S. staff, coupled with jousts between its New York staff and the owners in Hamburg. Initially, for instance, the Hamburg people wanted many of the stories ordered for the German Geo to appear in the U.S. edition, but as one staffer recalled, "German journalists are very imprecise. We consistently found when we tried to use German stories that they were full of errors."

Robert Christopher, an editor at Newsweek, was installed as managing editor (only to be ousted last June), and strove to move the magazine away from its German kin. He insisted on more U.S.-originated pieces, and he made Geo more topical to give people a reason to pay \$36 rather than the \$11.50 it would cost them to get "the big yellow one." The German bosses — who, in Germany and France, faced no competition from publications such as National Geographic, Smithsonian or National History — never cottoned to such changes.

Then there was the Thomas Hoepker affair. Christopher, who remains a Geo contributing editor, says only that his departure was sparked by a "difference of opinion about the editorial philosophy." However, according to Geo staffers, it was also hastened by clashes with Hoepker, a former Stern photographer who, as executive editor, presides over photo selection and production.

After a string of disputes, Christopher told the German owners last spring that either he or Hoepker had to go. Brought in as the new managing editor was David Maxey, who had been the editor at Psychology Today and Look. Under him, the magazine has become more timeless, and there has been a return to more German-initiated ideas.



Act 1, Scene 2 of "Wozzeck" at the Hamburg State Opera.

Opera
Hamburg 'Wozzeck' Drops Realism

By David Stevens
International Herald Tribune

HAMBURG — Alban Berg's "Wozzeck" appears to be joining that great basic repertory considered so familiar that straight productions are giving way to stagings that analyze and psychoanalyze with often baleful results.

The Hamburg State Opera was in the forefront of bringing "Wozzeck" back from Nazi-era oblivion with Gunther Rennert's exemplary 1953 staging. Now it is one of the first to move on to a second-generation production of Berg's masterpiece. The result is likely to prove less durable.

Berg was not one to leave much to chance, and he expressly asked for the "greatest possible realism" in most of the opera's 15 scenes. Thus, the spectator would be presented with the real events surrounding Wozzeck's oppression and breakdown, while absorbing the down-to-earth soldier's paranoid perceptions through the words and the orchestra.

But the French stage director Luc Bondy and his designer, Rolf Glittenberg, have apparently de-

clined to put the spectator inside Wozzeck's overheated brain, often with clever and spectacular stage effects, but with a radical loss in subtlety and dramatic tension.

Thus, in the open field of the second scene, the audience does not see the sunset that triggers Wozzeck's apocalyptic vision, but the vision itself, or rather, clouds of stage steam and blinding light. Or, in the tavern garden scene, Wozzeck's confused rage at seeing Marie dancing with the Drum Major is visualized by having the stage suddenly fill up with identically dressed dancing couples. Wozzeck's spears of a blood-red moon in the final act, and a huge black ball descends crushingly to fill the stage.

All-Purpose Set

There is a boxlike unit set enclosing all scenes, with blind windows in the back wall, claustrophobic enough to suggest Wozzeck's escape-proof world. Marie's house is a tent that rises and collapses as needed, the barracks is a few rows of benchlike objects almost at floor level, both tavern scenes are represented by a canopied bandstand.

But there is no pond for Wozzeck to drown in; he is left to stagger around the stage dragging Marie's body, presumably drowning in his own despair. What is the significance of Marie's house is a tent that rises and collapses as needed, the barracks is a few rows of benchlike objects almost at floor level, both tavern scenes are represented by a canopied bandstand.

Indeed, one of the artists represented in that show was principally a composer (Arnold Schoenberg, teacher of Berg), which by extension is a reminder that the world of Klimt, Schiele and Kokoschka was also the world of Karl Kraus, Adolf Loos, Arthur Schnitzler and Sigmund Freud. Schoenberg's contact with the Blaue Reiter circle came after Kandinsky heard his music at a 1911 Munich concert and wrote the composer.

The variety of events still to come include some examples of the interpenetration of the arts of this epoch, including scenic readings of Kokoschka's play "Murderer — Hope of Women" (May 14) and Karl Kraus' "The Last Days of Mankind" (May 17), and a performance Schoenberg's "Pierrot Lunaire" (May 31), with Helga Pilarczyk, Hamburg's great Marie of "Wozzeck's" past, all at the Kunsthalle. Too bad that no one tried to put on Schoenberg's strange music drama "Die Gluckliche Hand." Its score is full of specific scenic instructions that directly relate to his experience in painting and to his visionary portraits of eyes staring out of cloudy faces to be seen in the Kunsthalle show. That would have been a textbook case of direct correspondence between music, theater and painting.

Arts Agenda

BERLIN — Theaterfest '81, which takes place from May 15 to June 4 in several Berlin theaters, offers a broad cross-section of the German-language theater scene, including Peter Szil's production of Aeschylus' "Oresteia" at the Schlosstheater am Hofgarten, Ulfert the Bremen Schlemmer production of Thomas Bernhard's "Der Waldweg" at the Theater am Schiffbauerdamm, and "Marie-Wozzeck," a version of scenes from Schoenberg's play, the Wuppertal Theater with Peter Benda's "Kandinsky" at the Hofmann's staging of Schiller's "Verschwörung des Fiesco" from Zurich, the Vienna Burgtheater with Hans Hallsbrenner's "Orchestra" at the Hamburg Stadttheater, and the Hamburg Stadttheater with Hans Hallsbrenner's "Die Schwerkraft" from Paris. Also, the Cologne Schumannhaus with Gombrowicz's "Tymon, Prince of Burgundy," staged by Luc Bondy. The London Guildhall School with "As You Like It," the "Cape" workshop from Paris. Kai Taha's "Moving Earth" from New York, and the Dance Construction Company from Washington, are among the foreign troupes. Video theater and discussions are also on the program.

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COMING IN MAY

"Wozzeck" fits well into the ensemble of cultural events that has been taking place here under the umbrella title of "Back into the Future." Many of the photos in the "Wozzeck" program are also to be seen in connection with the "Experiment Weluntergang" exhibition at the Kunsthalle.

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Films

Henry James Shot Down In 'Wings of the Dove'

By Thomas Quinn Curtiss
International Herald Tribune

PARIS — Henry James might have enjoyed the picture-postcard views of Venice provided by the French film adaptation of his novel, "Wings of the Dove," but what would he have thought of the metamorphosis that has been visited on his characters and the world they inhabit?

In "Les Ailes de la Colombe," Kate Croy, who bends Merton Densher to her will with her scheme to have him make love to the dying Milly Theale so that they may inherit her fortune, is now a deluxe call girl; Densher, a Venetian and a quasi-egoist, and Milly a Parisian wallflower. The background has been shifted from the puritanism of the century to the permissive present and with this reshuffling of periods the crucial, sinister plot is devoid of its social content. What we have is another case of the movies tackling the impossible.

The profound psychological novel often eludes screen treatment. The movies have handled the novel of picturesque incident, of colorful figures, of unusual milieu to complete satisfaction, as such films as "Gone With the Wind," "The Third Man," "Dracula" or "The Blue Angel" evidence. Confronted with Henry James the scenarists are faced with a double problem.

James had a defective knowledge of theatrical requirements and his attempts at playwriting, like those of Conrad and George Moore, failed dismally. Several of the shorter stories — "Washington Square," "The Turn of the Screw," "The Aspern Papers" and "The Europeans" — have been dramatized by other hands with success, but "Wings of the Dove," when adapted for the stage, though retaining the era of the original, missed its aim. It did tell the story in general outline, as does the current movie, but it lacked the nuances and subtleties, the style and flavor, that are the lifeblood of James' fictional art.

Isabelle Huppert plays the doomed heroine as though executing a piano exercise for beginners, unable to endow the role with personality and variety and sounding monotonously the melancholy chord. Dominique Sanda, a stylish glamour girl, is the cunning harpy of tradition, but Michele Placido as the reluctant fortune hunter who falls in love with his prey humanizes the cad with an earnest and relatively sympathetic performance.

Jean Sorel has little to do as the doctor and Loleh Bellon even less as Milly's chaperon, one of the novel's most memorable figures, whom James modeled on a declassée American hostess. Benoit Jacquot's direction and script are mechanical and the brightest asset is Ennio Guarnieri's photographic panorama of Venice.

("Les Ailes de la Colombe," in French, is at the Berlin, the France-Elysees and the Gaumont Les Halles.)

The cinema appears to have entered into cycle of behind-the-prisoners movies unequalled since the days when "The Big House," "The Criminal Code," "Thunderbolt," "The Last Mile," "I'm a Fugitive from a Chain Gang" and others of their ilk were box-office hits. The best of the new crop is Richard Mann's "The Jericho Mile," which had its premiere at the Deauville American-film festival in September and which is now at the Hautefeuille Pathe and the Gaumont-Ambassade in English. It has an extraordinary vitality and candor and a superb performance by Peter Strauss as an inmate of California's Folsom prison (where the film was shot with prisoners mingling in the cast with actors). The theme is the protagonist's rehabilitation, brought about by his determined training as a long-distance runner, amid the racial conflicts and intrigues that seeth in the institution. It marks Mann's directorial debut. His second film, "Violent Streets," is to be in competition at the Cannes film festival.

"MeVicar" is another study of penitentiary life. Based on the memoirs of an ex-convict who has since become a noted journalist in England, it tells of a repeated offender whose defiance brings on prison riots and of his escape and recapture. Grimly realistic, it has an authentic ring, and has been admirably directed in almost documentary style by Tom Clegg and played, with persuasion by a competent company. The pop rock band, The Who, has provided such musical accompaniment as there is, sometimes suggestive less of jail blues than being condemned to a sentence in a disquieting. ("MeVicar" is at the Publicis Saint-Germain and the Paramount-Triomphe in English.)

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Vertical text on the right edge of the page, including "Herald Tribune", "Group Report", "Meeting Falls", "1000 Sued", "Increase in Trade", and "U.S. exports to China".

BUSINESS NEWS BRIEFS

Sees Improved 1981 Sales Outlook

KUUSEN, West Germany — Bayer's 1981 parent company sales are expected to improve from the 1980 level...

Remains Interested in ICL Venture

NEW YORK — Sperry Corp.'s chairman, J. Paul Lyer, said Tuesday the company was still interested in a possible joint venture with Britain's International Computers Ltd.

Group Reports Oil Strike Off Japan

NEW YORK — Idemitsu Petroleum Development Co., affiliated with the oil refiner Idemitsu Kosan, said Tuesday that it struck oil at a well in an offshore area off Niigata, northern Japan.

Meeting Fails to Clear Olivetti Tie

CHAMBERLAIN, Switzerland — Shareholders of Hermes Precise International met Tuesday to approve a plan to acquire Olivetti International...

Watch Group's Stock Continues to Fall

NEW YORK — Bearer shares of Societe Suisse pour l'Industrie Horlogere fell Tuesday in a market that saw most other Swiss shares...

Conoco Sues to Block Offer by Dome

NEW YORK — Conoco has filed a suit to block a bid by Dome Petroleum to buy at least 14 million or 43 percent of Conoco's shares...

Indonesia Oil Find

CALGARY (Reuters) — Hudson's Bay Oil and Gas said the company and its associates in the Malacca Strait contract area off Indonesia flowed at total combined rate of 10,353 barrels a day...

Oil Cutback Is Reported By Kuwait

KUWAIT — Kuwait cut its oil production to 1.25 million barrels a day from 1.5 million on April 1, Oil Minister Ali Khalifa al-Sabah said Tuesday.

Oil Cutback Is Reported By Kuwait

Meanwhile, government officials in Seoul said Kuwait has offered to lower the premium on its oil supplies to South Korea to \$2.75 per barrel from \$4.

Oil Cutback Is Reported By Kuwait

Kuwait has just completed negotiations with Western oil companies on new contracts that began April 1, oil analysts reported.

Oil Cutback Is Reported By Kuwait

The Dow Jones industrial average gained 7.58 points to close at 970.82 as advances outpaced declines in 8. Volume rose to 40.4 million shares from 37.6 million Monday.

Oil Cutback Is Reported By Kuwait

Analysts said further gains are likely to be limited because investors continue to be worried about the prospects for interest rates and the situation in the Midwest, where tensions between Syria and Israel persist.

Mexico Plans to Lift Oil Output

By Marlie Simons Washington Post Service

MEXICO CITY — Mexico, the world's fourth largest oil producer, is planning to increase oil production beyond its previously set limits.

The decision by Mexico, which is not a member of the Organization of Petroleum Exporting Countries, means that more non-OPEC oil will become available on the world market at a time when the Arab members of the oil cartel are talking of imposing sharp production cutbacks to bolster declining oil prices.

In two months' time, Mexico expects to be producing 2.93 million barrels per day, a level nearly 200,000 barrels above its official production limit.

The decision, which apparently was made several months ago, was leaked last week when a Mexican newspaper published a confidential production schedule of Pemex, the state oil company.

The leak of the decision appears to have had more to do with disagreements within the government about whether to step up oil exports or conserve energy resources for the future than with aiming a blow at OPEC.

Since the present administration broke the taboo against large-scale export in 1976, there has been a sharp dispute between the Ministry of National Resources, which advocates preservation, and Pemex, which wants to expand.

Oil now accounts for 74 percent of Mexico's exports and critics repeatedly have warned against further dependence of the economy on oil.

Pressure Remains On Bourse, France

By Carl Gewirtz International Herald Tribune

PARIS — Share prices of many French companies remained unquothed on the Bourse Tuesday and the franc stayed pinned to its floor level against the Deutsche mark in the foreign exchange market in the wake of Sunday's election victory by Socialist Francois Mitterand and the continuing disarray of the center-right political parties in the run-up to the anticipated legislative elections.

Foreign exchange dealers believe that the Bank of France may have spent more than 2 billion Deutsche marks so far this week defending the franc.

Analysts say the legislative elections will be the make or break point for the pressure on the financial markets. They see the pressures dissipating if the center-right forces retain their majority or blowing into a full storm if the leftist parties win control of the National Assembly.

The opening of the Bourse was delayed by 45 minutes as dealers attempted to find a price for the flood of sell orders and when business started about half of the shares listed could not open.

The sharp 2 1/2 percentage point rise late Monday in the central bank's minimum lending rate to 16 percent drove money market rates up by two points Tuesday and helped propel rates on Eurofrancs to a range of 19-20 percent, about on a par with the cost of Eurodollars.

The sharp increase in domestic interest rates is aimed at enticing money into the franc or discouraging funds from being transferred out of France. The increase in Eurofranc rates, only indirectly affected by what the monetary authorities do domestically, restricted the temptation to speculate against the franc by making it too expensive.

While the franc remained unchanged against the mark at 2.4093, both the franc and the mark declined sharply against the dollar. Once again, the Bundesbank did not intervene to arrest the dollar's rise in Frankfurt. A stable rate for the mark would put additional pressure on the French to keep the franc within its fixed band against the mark.

The fixing price in Frankfurt put the dollar at 2.2866 DM, up from 2.2710 Monday, and it closed at 2.29 DM. In Paris, the dollar closed at 5.511 francs, up from 5.4925 Monday.

In later New York trading, the dollar continued to gain as U.S. short-term interest rates remained high and bankers were predicting further rises.

N.Y. Stock Prices Rebound in Last Hour

NEW YORK — Prices on the New York Stock Exchange rebounded in the last hour of trading Tuesday, largely reflecting a technical recovery from the market's recent declines.

The Dow Jones industrial average gained 7.58 points to close at 970.82 as advances outpaced declines in 8. Volume rose to 40.4 million shares from 37.6 million Monday.

Analysts said further gains are likely to be limited because investors continue to be worried about the prospects for interest rates and the situation in the Midwest, where tensions between Syria and Israel persist.

Many investors are remaining on the sidelines until the direction of interest rates becomes clearer, analysts said. The market is looking ahead to the release of the latest money supply figures on Friday, which most analysts expect will show a sharp increase.

They suggested that further increases in the prime rate are likely. Major banks raised their rate to 19 1/2 percent Monday.

Despite the concerns, the market was able to rally this afternoon, largely because "it just ran out of sellers," Michael Metz of Oppenheimer & Co. said.

Firmness in electronics, defense and drug issues supported the market's gain.

Among computer and electronics issues, active IBM rose 3/4 to 56 1/2, while Honeywell was up 2 to 92 1/2, and Computervision climbed 3 1/2 to 83 1/2. It reported higher first quarter net.

The first step of a proposed two-step venture thus would enable Allied to purchase about 45 percent of the company. The rest of Bunker would be exchanged for Allied preferred stock paying a \$6.74 dividend and convertible on demand into 0.786 of an Allied share.

Edward L. Hennessy Jr., chairman of Allied, said in an interview that the electrical operations, of both companies would "make a good fit." He added that Allied — which has a \$2 billion line of credit plus some \$200 million in cash — was "still very much interested" in acquiring a major oil or chemical company.

Allied, with 46,080 employees, had net income last year of \$289 million on sales of \$5.3 billion.

Allied to Pay \$358 Million To Acquire Bunker Ramo

By Robert J. Cole New York Times Service

NEW YORK — Allied Corp. has purchased the Bunker Ramo Corp. for \$55 a share, or \$358 million in cash, notes and convertible preferred stock, the two companies announced Monday.

Allied, a leading oil and chemical company with major interests in plastics and electrical products, said that the purchase price included an agreement to buy the 22 percent block of Bunker Ramo stock held by Fairchild Industries for \$71.5 million in notes. Bunker Ramo, with sales of \$468 million in 1980 and net income of \$27.2 million, makes electronic parts, largely under the Amphenol brand, and also manufactures fabrics in its textile division, as well as providing a stock quotation service to brokers.

The suit described the offer as a "surprise and hostile," and says that Dome's aim of acquiring Hudson's Bay is not in the interest of Conoco's shareholders.

The offer "fails to disclose that the purchase of Conoco stock is intended to coerce Conoco into transferring its 52.9 percent holding of Hudson's Bay stock, said the suit, which questions the legality of Dome's financing, as well as whether the tender offer could be accomplished on a tax-free basis.

CURRENCY RATES

Interbank exchange rates for May 12, 1981, excluding bank service charges.

Table with columns for City, Currency, and Rate. Includes entries for Amsterdam, Frankfurt, London, New York, Paris, Zurich, and Dollar Values.

Advertisement for International Diamond Sales featuring a diamond image and text about certified quality diamonds and jewelry.

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Large advertisement for UNITED AMERICAN PROPERTIES N.V. featuring text about private placement, 700,000 shares, and Arinfi Limited.

Vertical advertisement strip on the left side of the page containing various product names and logos like 'DEO', 'Picard', 'MOUL ROUGE', 'SERRAULT', 'VILLEROT', 'CHERY', 'TRINTIENAU', 'LEVY', 'DE CHALONS', 'DUMAYET'.

NYSE Nationwide Trading Closing Prices May 12

Tables include the nationwide prices up to the closing on Wall Street.

12 Month High	12 Month Low	Div.	Yld.	P/E	100s.	High	Low	Close	Chg.
14 1/2	14 1/2	0.00	0.00	0.00	0.00	14 1/2	14 1/2	14 1/2	0.00
14 3/4	14 3/4	0.00	0.00	0.00	0.00	14 3/4	14 3/4	14 3/4	0.00
15 1/4	15 1/4	0.00	0.00	0.00	0.00	15 1/4	15 1/4	15 1/4	0.00
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16 3/4	16 3/4	0.00	0.00	0.00	0.00	16 3/4	16 3/4	16 3/4	0.00
17 1/4	17 1/4	0.00	0.00	0.00	0.00	17 1/4	17 1/4	17 1/4	0.00
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61 1/4	61 1/4	0.00	0.00	0.00	0.00	61 1/4	61 1/4	61 1/4	0.00
61 3/4	61 3/4	0.00	0.00	0.00	0.00	61 3/4	61 3/4	61 3/4	0.00
62 1/4	62 1/4	0.00	0.00	0.00	0.00	62 1/4	62 1/4	62 1/4	0.00
62 3/4	62 3/4	0.00	0.00	0.00	0.00	62 3/4	62 3/4	62 3/4	0.00
63 1/4	63 1/4	0.00	0.00	0.00	0.00	63 1/4	63 1/4	63 1/4	0.00
63 3/4	63 3/4	0.00	0.00	0.00	0.00	63 3/4	63 3/4	63 3/4	0.00
64 1/4	64 1/4	0.00	0.00	0.00	0.00	64 1/4	64 1/4	64 1/4	0.00
64 3/4	64 3/4	0.00	0.00	0.00	0.00	64 3/4	64 3/4	64 3/4	0.00
65 1/4	65 1/4	0.00	0.00	0.00	0.00	65 1/4	65 1/4	65 1/4	0.00
65 3/4	65 3/4	0.00	0.00	0.00	0.00	65 3/4	65 3/4	65 3/4	0.00
66 1/4	66 1/4	0.00	0.00	0.00	0.00	66 1/4	66 1/4	66 1/4	0.00
66 3/4	66 3/4	0.00	0.00	0.00	0.00	66 3/4	66 3/4	66 3/4	0.00
67 1/4	67 1/4	0.00	0.00	0.00	0.00	67 1/4	67 1/4	67 1/4	0.00
67 3/4	67 3/4	0.00	0.00	0.00	0.00	67 3/4	67 3/4	67 3/4	0.00
68 1/4	68 1/4	0.00	0.00	0.00	0.00	68 1/4	68 1/4	68 1/4	0.00
68 3/4	68 3/4	0.00	0.00	0.00	0.00	68 3/4	68 3/4	68 3/4	0.00
69 1/4	69 1/4	0.00	0.00	0.00	0.00	69 1/4	69 1/4	69 1/4	0.00
69 3/4	69 3/4	0.00	0.00	0.00	0.00	69 3/4	69 3/4	69 3/4	0.00
70 1/4	70 1/4	0.00	0.00	0.00	0.00	70 1/4	70 1/4	70 1/4	0.00
70 3/4	70 3/4	0.00	0.00	0.00	0.00	70 3/4	70 3/4	70 3/4	0.00

12 Month High	12 Month Low
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Major Real Estate Firms In Canada Discuss Merger

New York Times Service
TORONTO — Two major Canadian real estate development companies...

Ltd., with assets of more than 700 million Canadian dollars.
Their combined assets would make the merged company roughly...

For the nine months ended Nov. 30, 1980 and in Canadian dollars, Cadillac Fairview lost \$2.4 million...

Cadillac Fairview, which recently completed a reorganization, intends to specialize in huge downtown redevelopment projects...

The reorganization involved consolidation of the housing and land divisions into a "smaller communities" group...

Both companies are moving aggressively into the U.S. market. Cadillac Fairview has plans for major projects in many U.S. cities...

Mr. Solomon's executive vice president, Benjamin Swirsky, said last month that, while Bramalea continued to seek new opportunities in Canada...

He noted that households and businesses are not waiting for regulatory changes. They are developing institutions to meet their needs...

Mr. Solomon also said that consideration must be given to how regulatory changes would affect the Federal Reserve Board's ability to achieve its goals...

NYSE Nationwide Trading Closing Prices May 12

Tables include the nationwide prices up to the closing on Wall Street. Columns include 12 Month Stock, High, Low, Close, and various market indicators.

Fed Chief Calls for Revisions in Banking Industry Regulations

New York — Anthony Solomon, president of the New York Federal Reserve Bank, has called for revisions in the current regulations covering the commercial and investment banking activities...

Warn Japanese

Executives from leading Japanese automakers will meet in Tokyo on Friday and Saturday with their Japanese counterparts...

4,400 Danish Doctors Quit in Labor Dispute

COPENHAGEN — Most hospitals in Denmark will be crippled or closed this week because of mass resignations by junior doctors...

COMPANY REPORTS

Revenue and profits, in millions, are in local currencies unless otherwise indicated.

The Netherlands
Revenue: 1981 1,981; 1980 3,500.0
Profits: 1981 29.1; 1980 89.4

United States
Revenue: 1981 1,200.0; 1980 1,040.0
Profits: 1981 77.40; 1980 37.39

West Germany
Revenue: 1981 3,076.0; 1980 3,510.0
Profits: 1981 246.0; 1980 276.0

ASK FOR IT EVERY DAY. EVERYWHERE YOU GO.
International Herald Tribune
We're not news for you.

Toronto Stocks

Closing Prices, May 11, 1981

Table listing Toronto stock prices for various companies like Alcan, Bell, and others.

Montreal Stocks

Closing Prices, May 11, 1981

Table listing Montreal stock prices for various companies like Alcan, Bell, and others.



When choosing a partner for Euromarket finance, look for proven experience.

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International Herald Tribune
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European Stock Markets

May 12, 1981 (Closing prices in local currencies)

Table showing European stock market data for Amsterdam, Brussels, Frankfurt, London, Zurich, and Milan.

Canadian Indexes

May 12, 1981

Table listing Canadian indexes like the Toronto Stock Exchange and TSE 300 Index.

Tokyo Exchange

May 12, 1981

Table listing Tokyo exchange rates for various currencies.

European Gold Markets

May 12, 1981

Table listing European gold market prices for London, Paris, and Zurich.

Gold Options (prices in \$/oz.)

Table showing gold options prices for various contracts.

Valeurs White Weld S.A.

1, Quai de Mont-Blauc
1211 Geneva 1, Switzerland
Tel. 31 82 51 - Telex: 28 385

European Options Exchange

26, 26/27, AMSTERDAM, Telex 13473

GOLD OPTIONS

Table showing gold options prices for various contracts.

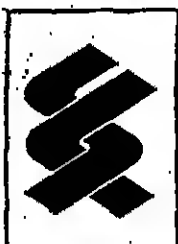
D.G.C. Dossier de Gestion Collective S.A.H.
24, Boulevard Royal, Luxembourg.
The annual general meeting held on May 4, 1981, has decided to distribute a stock dividend of one share for 20 shares held...

Bayerische Landesbank Girozentrale
International Banking with Bavarian Drive and Friendliness
Central Office: Brenner-Strasse 20, 8000 München 2, Tel.: (89) 21 71-1, Telex: 5 286 270, Cables: Bayernbank München.

AMEX Nationwide Trading Closing Prices May 12

Tables include the nationwide prices up to the closing on Wall Street.

Large table of AMEX stock closing prices for May 12, 1981, organized into columns by stock type and listing exchange.



Standard Chartered BANK LIMITED



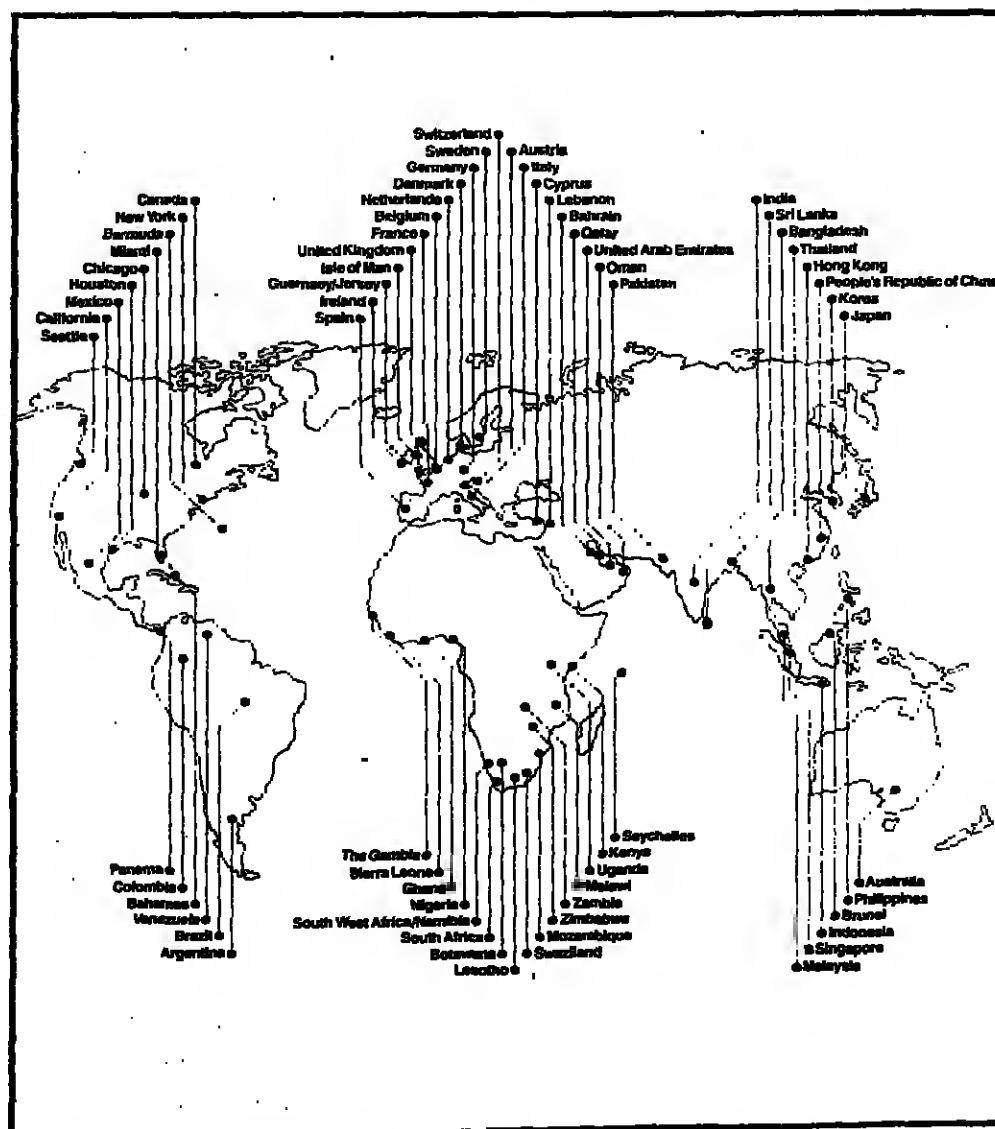
Comments by the Chairman, The Rt. Hon. Lord Barber

The trading profits of the Bank and its subsidiaries for the year ended 31 December 1980 were £195.3 million and the Bank's share of associated companies' profits amounted to £372 million, giving profits before taxation of £232.5 million.

Additionally, a once for all profit of £50.3 million arose from a review of deferred taxation liabilities and debt provisions. After providing for a dividend increase on the year of 25 per cent, an amount of £132 million was retained in shareholders' funds, raising these to £669 million.

At the end of 1980 Group assets had increased to £15,417 million.

The results achieved by the Group were good and nearly all overseas territories showed an increase in profit. While the leading industrial countries almost without exception saw a slackening in activity, resulting in mixed fortunes for our business, many of the economies in the Far East, South East Asia and



Africa grew strongly, and our operations in those countries were particularly satisfactory. In the United Kingdom, though we derived benefit from the good results of our foreign currency and bullion

trading and from other home-based activities, the severe industrial recession brought disappointing returns from our branch banking operations, which are geared to international trade. The

Profits before taxation up 37%

Earnings per share up 42%

Dividend up 25%

Shareholders' Funds up 23%

Total Assets up 19%

Total Assets £15,000 million.

Total Deposits £14,000 million.

1,500 offices in 60 countries around the world.

contribution from North America, though affected by narrowing interest margins, was satisfactory. Costs have continued to rise, at home and abroad, and debt experience has inevitably suffered under worsening business conditions. Nevertheless, the total outcome of our operations is an encouraging reflection of the scope and spread of the financial services which the Group offers around the world.

Turning to the future, it is clear that with the notable exception of Japan the major industrial countries are set to achieve little or no expansion in 1981. Two things at least are not likely to change significantly during the year: inflationary pressures, slow to yield to treatment, will continue to press painfully on corporate costs, and international trade may at best repeat the indifferent growth of 1980.

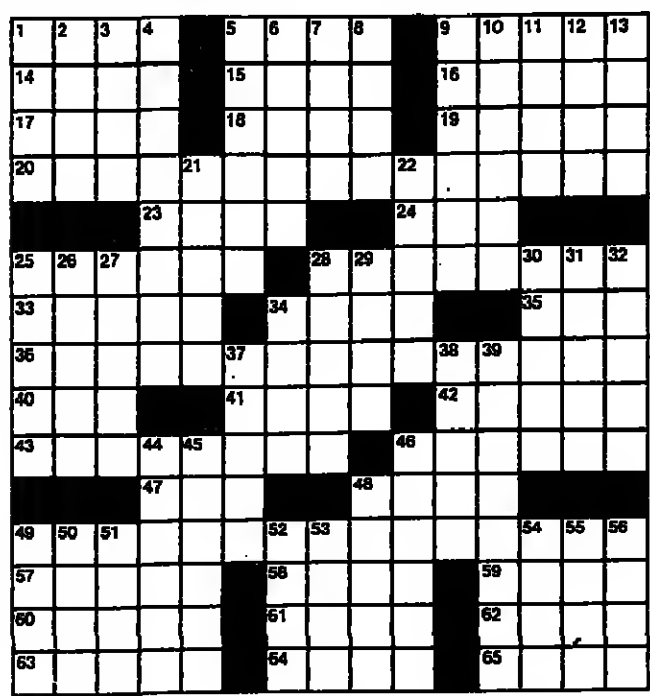
For an international bank such as ours resilience and alertness to opportunities will more than ever be the requisites of progress. The record shows that our management in Standard Chartered possesses these qualities in good measure.

Copies of the Report and Accounts and of the Chairman's Statement may be obtained from the Secretary, 10 Clements Lane, London EC4N 7AB

World leaders in international banking.

CROSSWORD

By Eugene T. Maleska



- ACROSS
1 Thick slice
2 Word before dash or happy
9 Give the highlights
14 Naples coin
15 Chaucer's 'The Miller's'
16 A resin
17 'in the Life' (Beatles song)
18 Mine finds
19 Noel
20 Grenade of sorts
23 California wine valley
24 Caviar, e.g.
25 Swerves
28 Most insipid
33 Mackinaws and Chesterfields
34 Kringle's anathema
35 Bravo or Negro
36 Garnish similar to Thousand Island
40 'People' of radio fame
41 Mortgage
42 Alpha's antithesis
43 Between stem and stern
46 Turnings points
47 R.P.I. room
48 Sonny's ex
49 Sled pullers
57 -- up (took refuge)
58 Rondelet or roundel
59 'Picnic' playwright
60 Public warehouse
61 It comes in cakes
62 College sports org.
63 Lascivious one
64 Tolkien creatures
65 Rambles
DOWN
1 Bridge or bonanza
2 Italian island
3 Soviet sea
4 Musket adjuncts
5 Urban ballplayers' targets
6 Caterpillar's category
7 Guinness
8 Colombian coin
9 Calculate
10 High, in a way
11 Wax, in prescriptions
12 Mine: Fr.
13 Troche or hotus
21 Anklebones
22 Orange box
25 Skeddaddie
26 Moslem nymph in Paradise
27 Mitigated
28 Portends
29 Abandoned
30 Iroquoians
31 Scorch
32 Caligula's cloaks
34 Scissors stroke
37 Suspect's defense
38 Lesions
39 Sinpering
44 Irving's--Hollow
45 Less lenient
46 Dupes
48 Dupe
49 -- more to be pitied...
50 Theta follower
51 Cal's cry
52 Westminster Abbey area
53 Moment of truth in a G. Cooper classic
54 Former Machu Picchu resident
55 Archaic expletive
56 Poselidon's septet

Solution to Previous Puzzle



WEATHER

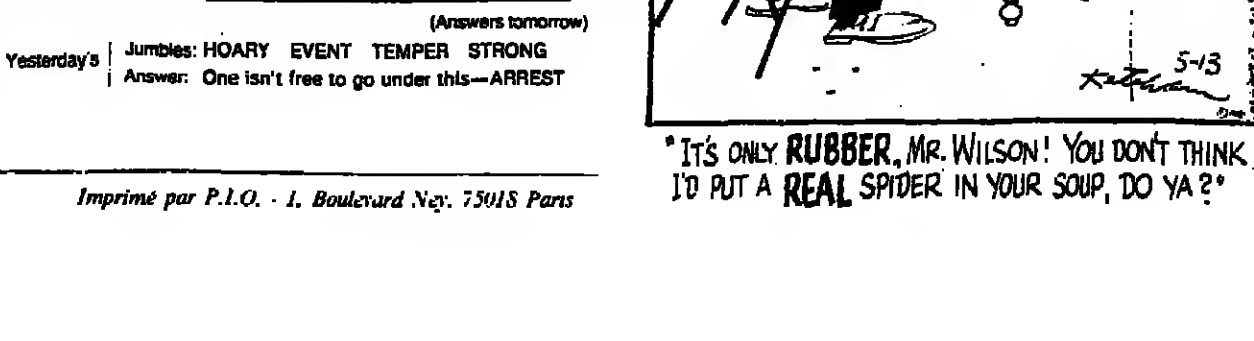
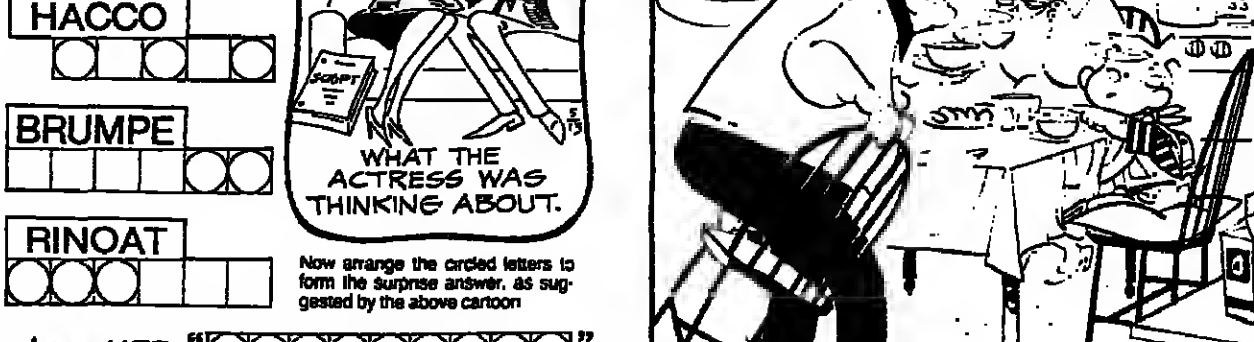
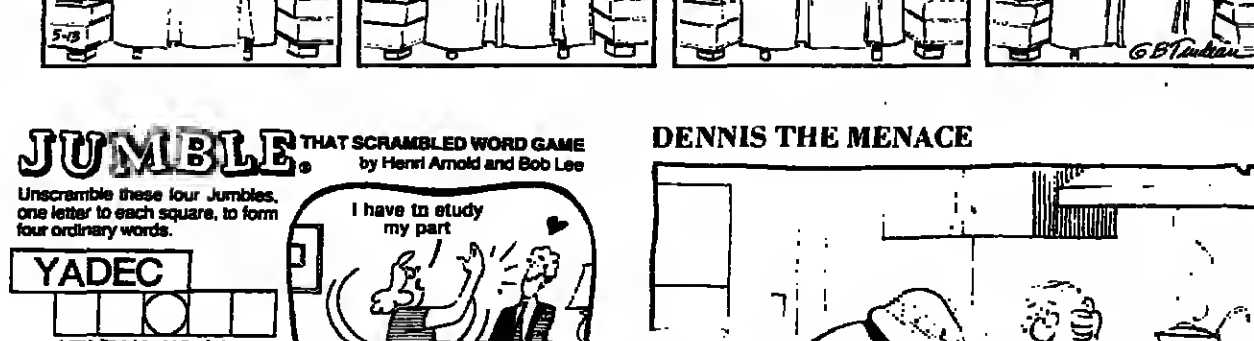
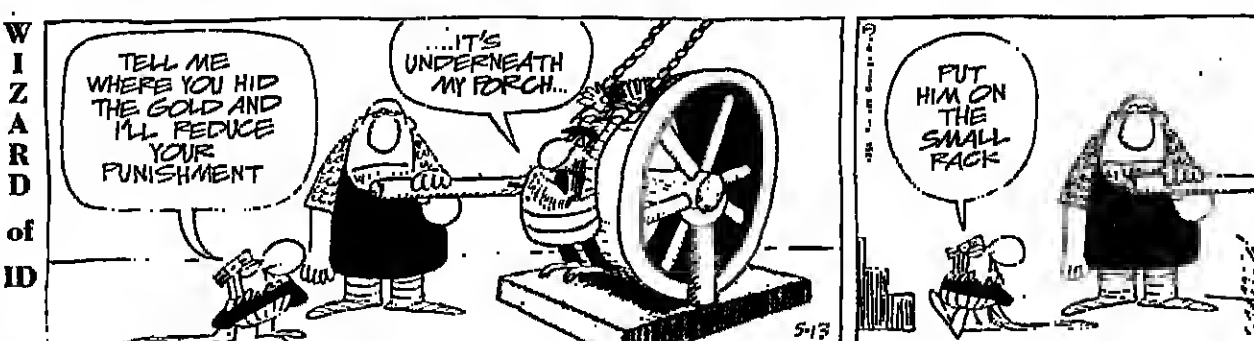
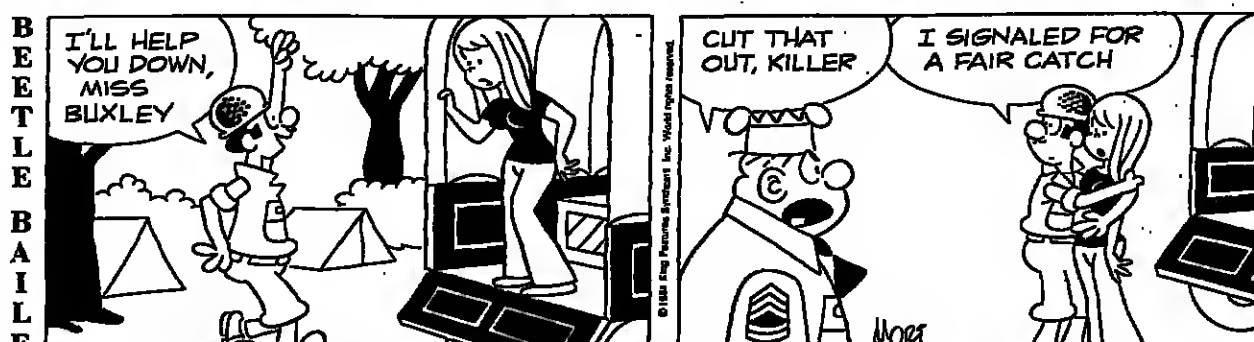
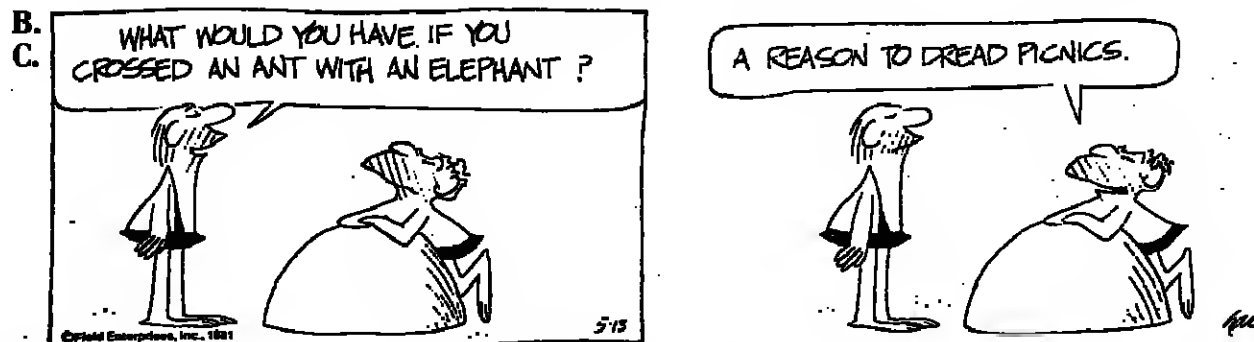
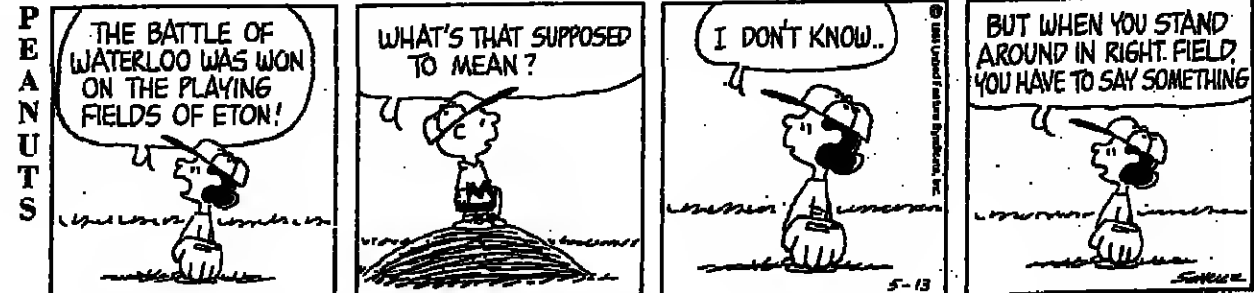
Table with columns for location, high, low, and weather conditions. Locations include ALABAMA, ALASKA, ARIZONA, etc.

RADIO NEWSCASTS

BBC WORLD SERVICE
Broadcasts of 0600, 0700, 0800, 0900, 1000, 1100, 1200, 1300, 1400, 1500, 1600, 1700, 1800, 1900, 2000, 2100, 2200 (All times GMT).

VOICE OF AMERICA

The Voice of America broadcasts world news in English on the hour and of 28 minutes after the hour during varying periods to different regions.



BOOKS

GOD EMPEROR OF DUNE

By Frank Herbert. Putnam. 411 pp. \$12.95.

Reviewed by John Leonard

There are some of us who feel that Frank Herbert should never have written a sequel to 'Dune'...

John Leonard is on the staff of The New York Times.

Best Sellers

- NOBEL HOUSE, by James Clavell
GORKY PARK, by Martin Cruz Smith
MASH, by H. Norman
THE LAST MONK OF TOULOUSE, by Michael Chabon

BRIDGE

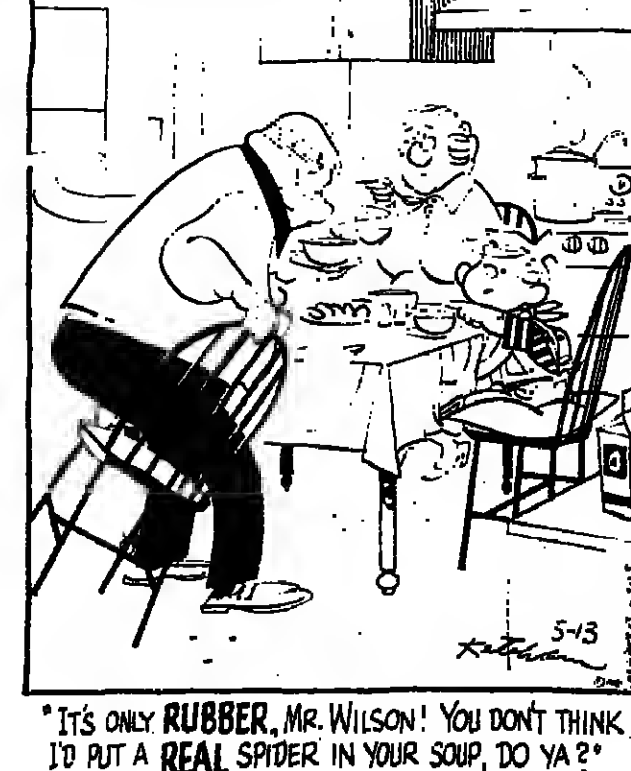
By Alan Truscot

The number of spoken languages in the world is over three thousand. The number of bidding languages in bridge is distinctly short of that...

JUMBLE

Word puzzle section with a cartoon illustration of a man thinking and a grid of letters.

DENNIS THE MENACE



ASK FOR IT EVERY DAY. EVERYWHERE YOU GO. International Herald Tribune

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